OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E426, Docket DMEA-2607 (mica), dated October 27, 1952, with

Idaho Beryllium and Mica Corp.
P. O. Box 2574
Boise, Idaho

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Muscovite Mine located in Latah County, Idaho, during the period October 12, 1954, through November 9, 1961.

A certification of discovery or development was issued on January 12, 1954, and, in accordance with Article 6 and Annex II of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract, except the area exempted by Amendment No. 1, for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated September 14, 1953, indicated accepted costs under the exploration contract amounting to $26,999.25 with the Government's contribution, on a 90 percent basis, being $24,299.32.

The status of the project, the scope of review, the reasons therefor, and an explanation of the adjustment for uncollectible royalty, as reflected below, are stated on the following pages.

This review found no sales of production subsequent to the period covered by the prior Royalty Audit Report and Certificate, which found the sales subject to Government royalty through October 11, 1954, to be $64,314.91. The royalty account as of October 11, 1954, was:

Total Royalty Payable	$3,215.75
Total Royalty Paid	1,886.68
Balance of Royalty Due	$1,329.07

After adjustment for uncollectible royalty, as of November 9, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$1,886.68
Total Royalty Paid	1,886.68
Balance of Royalty Due	$ -0-

E. D. Talbert

November 15, 1961

E. D. Talbert, OME Auditor

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STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

After a suspension of operations beginning June 15, 1954, the Muscovite Mine was reopened on September 16, 1954. Mining again was discontinued at the end of November 1954 and the trimming shed was closed on or about December 14, 1954. All production and sales subsequent to those covered by the prior Royalty Audit Report and Certificate were from the area exempted by Amendment No. 1 to the contract.

Although both the field and Washington offices made frequent requests upon the Operator for payment of the royalty due, as disclosed by the prior audit, payment was not received. Accordingly, the matter was referred to the Attorney General of the United States on February 14, 1955. Subsequently, the April 7, 1952, mortgage held by the Reconstruction Finance Corporation was foreclosed on May 16, 1955; all of the Operator's property was sold at auction on August 23, 1955; and the United States was granted a deficiency judgment for over $20,000.00. On December 8, 1955, the United States Attorney at Boise, Idaho, recommended that the account for royalty due be closed as uncollectible. The Department of the Interior concurred.

After the foreclosure proceedings the Operator was left without assets and decided to abandon its charter. Forfeiture of charter was effected by the Idaho Secretary of State on December 2, 1957.

The Secretary of the Treasury, having purchased the property for the Government at the August 23, 1955, foreclosure sale, resold it at public auction on June 19, 1957. Orville J. Slette, the Operator's former general manager was the purchaser. The property subsequently was sold in 1958 to Western Mica Corporation, which is now known as Ida-Mica Industrial Minerals, Inc., 312 S. Washington, Moscow, Idaho. Although a mica recovery plant was constructed on the property during the past year, there are no indications of production from the subordinated area since 1954.

The present owners' plans are to reclaim scrap from the various mine dumps and then resort to open pit mining. Under Amendment No. 1 to the exploration project contract, all production above the bottom of the No. 4 level is exempt from the royalty obligation.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate no production from the subordinated area since 1954;

(2) The Operator is no longer a legal entity; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

Mr. John F. Brady, President
Ida-Mica Industrial Minerals, Inc.

312 So. Washington

Moscow, Idaho

Contract No.	Docket No.
Idm-E426	**DMEA-2607 (Mica)**

Prepared by (Signature)	Date
ORMeeker	**11/ 9/ 61**

Yes	No		
		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
		(b)	If so, is segregation and identification procedure adequate?
		2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		4.	Are the assay controls in effect adequate?
		5.	Does the manner of disposing of production give the Government its fair royalty returns?
		6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
		7.	Does the Operator buy from or sell to other Operators?
		8.	Current status of property. (Check one).
X			Operating.
			Inactive.
			Abandoned.
			Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

See enclosed letter dated November 7, 1961, from John F. Brady, President, Ida-Mica Industrial Minerals, Inc. Amendment No. 1 of the contract excludes ore produced from above the No. 4 level. Eldon Pattee of the Bureau of Mines was recently on the property and confirms the plant construction. He confirms that there has been no recent production, that the open pit has not been mined below the No. 4 level, and that the No. 5 level is caved.

84861-60

Non-Metallics, Inc.

Mica Products

312 S. Washington Moscow Idaho
Tel. [illegible]
John F. Brady *President*

November 7, 1961

Dept. of the Interior
[illegible] of Minerals Exploration
[illegible] Howard Street
[illegible] Washington
[illegible] L. R. MacLaren,
Acting Field Officer

Re: DMEA - 2607 (Mica)
Contract Idm E-426

Dear Sir:

In regard your letter of October 19, 1961, referred to myself by Mr. [illegible] J. Slette.

The present owner of the Muscovite Mine and adjacent properties is [illegible] INDUSTRIAL MINERALS, INC., which is now the name of the company, [illegible] Mica, that the group transferred the properties to after the group [illegible] individuals had purchased said properties at the RFC mortgage foreclosure [illegible] 1957.

To my knowledge, from and after the date of purchase there has been production, exploration or sale of ore from below the No. 4 level in fact at this time the portal to the No. 5 level is caved and closed.

During the past year a small particle mica recovery was built on the Muscovite mine site. The plant was completed just long enough before winter weather arrived to determine capacity and efficiency. We are first going to reclaim scrap from the various mine dumps and then resort to open pit mining on a property south of the Muscovite. We feel that the open pit mining which has been done on the Muscovite in the past, has been so poorly planned and engineered that initially it would be more advantageous to [illegible] new properties which are some 200 yards south of the main open pit at the Muscovite.

In as much as there seems to be very few commercial deposits of mica [illegible] the Northwest, and a very good market for clean scrap on the west coast, the outlook for a stable operation appears promising.

The company which is making the installation is owned in toto by [illegible] local business men and at this time the group has some $94,000.00 invested with no liabilities.

We have considered the possibility of making an application for a 50% Minerals Exploration loan at some time in the future to explore several surface showings. I would appreciate your comment as to what might be the consideration given to such an exploration loan application.

Very truly yours,

JOHN F. BRADY
President

JFB:mg

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 24 1961

DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
November 21, 1961

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior

From: Acting Field Officer, OME, Region I

Subject: IMBA-2607 (Mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Ida-2426

Enclosed is the original of a Report of Royalty Review dated November 15, 1961, for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Muscovite Mine located in Latah County, Idaho, during the period October 12, 1954, through November 9, 1961.

This Report of Royalty Review is for record purposes only and no copy has been provided for the Operator.

D. R. MacLaren

Enclosure

MLSmelser:mls
cc: CA&A Div., OME
OME
Reading copies to:
Nolan
Hobbs
Guild

NOV 1 5 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: EMEA-2607 (Mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

The original and one copy of a Report of Royalty Review covering the subject contract are attached. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Attachments

EDTalbert/ama
November 15, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

C
O
P
Y

NON-METALLICS, INC.
Mica Products

312 S. Washington, Moscow, Idaho
Tel. TU 3-7491
John F. Brady, President

November 7, 1961

U. S. Dept. of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington
Attention: D. R. McLaren,
Acting Field Officer

Re: DMEA - 2607 (Mica)
Contract Idm E-426

Dear Sir:

In regard your letter of October 19, 1961, referred to myself by Mr. Orville J. Slette.

The present owner of the Muscovite Mine and adjacent properties is IDA-MICA INDUSTRIAL MINERALS, INC., which is now the name of the company, then Western Mica, that the group transferred the properties to after the group of individuals had purchased said properties at the RFC mortgage foreclosure sale in 1957.

To my knowledge, from and after the date of purchase there has been no production, exploration or sale of ore from below the No. 4 level in fact at this time, the portal to the No. 5 level is caved and closed.

During the past year a small particle mica recovery was built on the Muscovite mine site. The plant was completed just long enough before winter weather arrived to determine capacity and efficiency. We are first going to reclaim scrap from the various mine dumps and then resort to open pit mining on a property south of the Muscovite. We feel that the open pit mining which has been done on the Muscovite in the past, has been so poorly planned and engineered that initially it would be more advantageous to open new properties which are some 200 yards south of the main open pit at the Muscovite.

In as much as there seems to be very few commercial deposits of mica in the Northwest, and a very good market for clean scrap on the west coast, the outlook for a stable operation appears promising.

The company which is making the installation is owned in toto by seven local business men and at this time the group has some $94,000.00 invested with no liabilities.

We have considered the possibility of making an application for a 50% Minerals Exploration loan at some time in the future to explore several surface showings. I would appreciate your comment as to what might be the consideration given to such an exploration loan application.

Very truly yours,

JOHN F. BRADY
President

JFB:mg

CA 4, Div

EXTRA COPY
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RECEIVED OCT 27 1961

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cy to 170,500

P.O. Box 187
Deary, Idaho
October 20, 1961

U.S. Dept. of the Interior
Office of Minerals Exploration
So. 157 Howard St.
Spokane 4, Washington

Attention: D. R. MacLaren, Acting Field Officer.

Re: DMEA-2607 (Mica)

E-426

Dear Mr. MacLaren:

Receipt of your letter of October 19, 1961 regarding the Muscovite mine is hereby acknowledged.

The property was sold to Western Mica Corporation in 1958. The controlling interest of Western was sold in 1960 and the name changed to Ida-Mica Industrial Minerals, Inc. whose address is 312 South Washington, Moscow, Idaho. Your letter is being referred to that organization for reply.

I trust that this will meet your approval.

Very truly yours,

Orville J. Sletto

Orville J. Sletto

RECEIVED
OCT 23 1961
SPOKANE, WASH.

Extra

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 23 1961

DATE	INITIALS	CODE
		800

m So. 157 Howard Street
Spokane 4, Washington
October 19, 1961

Mr. Orville J. Sletto
P. O. Box 176
Deary, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-Z426

Dear Mr. Sletto:

In order that we may bring our records of production from the Muscovite mine up-to-date we would appreciate receiving the following information:

1. Has any production or sale of ore been made since June 1957? If so, could you break down the figures to show production and/or sale of ore that came from above and below the No. 4 level, to whom the ore was sold, and its value?

2. Have you sold the property and, if so, when and to whom?

The Office of Minerals Exploration is the successor to the Defense Minerals Exploration. Production records form one of the best bases upon which we can evaluate the success of the DMEA-OME program.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: CA&A Div.; OME; CPF
Reading copies to:
Nolan
Hobbs
Guild

OCT 1 0 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since December 1954. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
October 9, 1961

Copy to: Docket
Director's Reading File
CA & A Division

LAW OFFICES
CARVER, McCLENAHAN & GREENFIELD
BANK OF IDAHO BUILDING
BOISE, IDAHO

JOHN A. CARVER, JR.
DON J. MC CLENAHAN
GEORGE A. GREENFIELD

December 21, 1960

EXTRA COPY
O. M. E
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DEC 30 1960
DATE
CODE
800

United States Dept. of the Interior
Office of Minerals Exploration
Sb. 157 Howard Street
Spokane 4, Washington

Attention: D. R. MacLaren
Acting Field Officer

Dear Mr. MacLaren:

Re: Your file DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

The Idaho Beryllium & Mica Corporation, an Idaho corporation, forfeited its charter on December 2, 1957. During the summer of 1955, the physical assets of the corporation were obtained by the United States Government in foreclosure proceedings. After the foreclosure proceedings the corporation had no assets, and it was determined to abandon it and let the Secretary of State forfeit its charter.

It is our understanding that the assets taken under the foreclosure proceedings by the United States Government have been sold.

Very truly yours,

CARVER, McCLENAHAN & GREENFIELD

By

RECEIVED
DEC 27 1960
U. S. G. S.
SPOKANE, WASH.

DJM/th

800

So. 157 Howard Street
Spokane 4, Washington
December 13, 1960

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract IMa-E426

Enclosed are three Thermofax copies of a letter dated December 8, 1960, from the Corporation Clerk, Office of the Idaho Secretary of State, regarding the corporate status of the referenced company. The only other answer to the four questions I asked in my letter of November 23, 1960, is that the Secretary-Treasurer at that time was John A. Carver, Jr.

Mr. Carver is presently secretary to Senator Frank Church. However, I have written to him as secretary-treasurer of the corporation at Box 2574, Boise, Idaho. If I do not receive a reply, perhaps you can get in touch with him in Washington.

D. R. MacLaren

Enclosures
cc: CPP
Director
Econ. Geol.
BAPM

MEMBER OF
STATE BOARD OF EXAMINERS
STATE LAND COMMISSIONERS
STATE BOARD OF FORESTRY
STATE BOARD OF ELECTIONS

ARNOLD WILLIAMS
SECRETARY OF STATE

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE
BOISE

December 8, 1960

Mr. D. R. MacLaren
Acting Field Officer, OME
Region 1
[illegible] 157 Howard Street
Spokane 4, Washington

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp
Muscovite Mine, Lata County
Idaho - Contract Idam-E426

Dear Mr. MacLaren:

We regret the error made in furnishing your office with information as to present status of IDAHO BERYLLIUM & MICA CORPORATION.

This corporation was formed July 7, 1950 and did maintain good standing as a corporation to June 30, 1957. The last annual statement filed by that company was filed on June 29, 1956 and placed the corporation in good standing to June 30, 1957. Report was filed by John A. Carver, Jr., Secretary-Treasurer, P.O.Box 2574, Boise, Idaho.

The corporation failed to file its renewal statement prior to November 30, 1957 and on December 2, 1957 forfeiture of charter was made. No reinstatement of charter has been made since that date and our records show the corporation forfeited as of December 2, 1957.

RECEIVED
DEC 12 1960

Yours very truly,

ARNOLD WILLIAMS
Secretary of State

By
Corporation Clerk

eh

The corporation above referred to had its principal place of business at Caldwell, Idaho. We did have a corporation named IDAHO BERYLLIUM CORPORATION with principal place of business at Deary, Latah County, Idaho, which incorporated Sept. 14, 1937. However, this last named corporation forfeited its charter December 1, 1939.

No. 157 Howard Street
Spokane 4, Washington
December 13, 1960

Air Mail

Mr. John A. Carver, Jr.
Idaho Beryllium and Mica Corp.
P. O. Box 2374
Boise, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Moscovite Mine
Latah County, Idaho
Contract IdM-8426

Dear Mr. Carver:

In order to bring our records on the referenced corporation up-to-date it would be most helpful if you would furnish us with the following information:

1. Has the corporation been dissolved or declared bankrupt and, if not, is it solvent or insolvent?

2. If the corporation has been dissolved, was there any distribution made of corporate assets?

3. If declared bankrupt, when and by what court?

4. What are the names and addresses of the present or last officers?

Sincerely yours,

D. R. Mackenzie
Acting Field Officer, OME
Region I

cc: OME(3)
CPP
Director
Econ. Geol.
DMFM

EXTRA COPY
O. M. E
RECEIVED DEC 8 1960
DATE
CODE
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So. 157 Howard Street
Spokane 4, Washington
December 5, 1960

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Attention: Miss Marilyn Campbell
Ass't. Corporation Clerk

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-2426

My dear Mr. Williams:

Thank you for your prompt reply to our letter of November 23, 1960, regarding the status of Idaho Beryllium & Mica Corporation.

This corporation as a former DMEA contractor is liable for certain indebtedness to the Federal Government. Of course, collection could be enforced only in the event that it is or becomes solvent. It is for this reason that we have periodically requested your office for information regarding the corporation's status. In a letter dated January 18, 1956, addressed to Wing G. Agnew, U. S. Bureau of Mines, 1201 N. Division Street, Spokane 2, Washington, the then Corporation Clerk, Office of the Secretary of State, State of Idaho, stated that the corporation was in good standing until the end of the fiscal year, June 30, 1956. However, in a letter dated December 1, 1960, the present Assistant Corporation Clerk advises us that the corporation forfeited its charter on December 19, 1951, and that no reinstatement has been made since that date.

As our dealings with the corporation extended through 1954, and in view of the discrepancy in the information given in the two letters just mentioned, it would be greatly appreciated if you would have a recheck of your corporate records made to verify the status of the corporation.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3) w/cys incoming; Econ. Geol.
Director; RAFM; CPF

ARNOLD WILLIAMS
Secretary of State

MEMBER OF
BOARD OF EXAMINERS
BOARD OF COMMISSIONERS
BOARD OF FORESTRY
BOARD OF ELECTIONS

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE

BOISE

December 1, 1960

EXTRA COPY O. M. E RECEIVED JUL 8 1960		
DATE	[illegible]	CODE

[illegible] DEPARTMENT OF THE INTERIOR
[illegible] MacLaren
[illegible] Field [illegible] DME
[illegible]
[illegible] Howard [illegible]
[illegible]

Dear Sir:

The records of this office disclose:
[illegible] MINING CORPORATION [illegible] Idaho
incorporated [illegible], forfeited its charter on
[illegible] because of failure to renew its annual license
tax. No reinstatement has been made since that date.

Yours truly,

ARNOLD WILLIAMS,
Secretary of State

By

Assistant Corporation Clerk

Dec 2, 1957,
per ltr 12/8/60

EXTRA COPY O. M. E RECEIVED NOV 28 1960		
DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
November 23, 1960

Secretary of State

Boise, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-2626

Dear Sir:

It would be greatly appreciated if you would furnish us with the following information concerning the Idaho Beryllium and Mica Corporation, Deary, Idaho:

(1) Is the Corporation currently in good standing, or has it been dissolved or declared bankrupt?

(2) If in good standing, is the Corporation solvent or insolvent?

(3) If the Corporation has been dissolved, what, if any, distribution of corporate assets was made? If declared bankrupt, when and in what court?

(4) What are the names and addresses of the present, or last officers?

The above information will greatly help us to establish the present status and liability of the Corporation for royalty due the Government.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3) ✓
Director
Room Geol
BAFM
CPF

NOV 15 1960

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-2607 (Mina)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-1426

Please accept my apology for the delay in replying to your September 20 memorandum of inquiry regarding royalty liabilities under the subject contract. The delay has been due to the necessity of a review of the files and consultation with representatives of the Office of the Solicitor.

The DMEA Operating Committee advised Mr. Weissenborn by letters dated November 15, 1955, and October 30, 1956, that the purchaser of the property under the contract would take such property free and clear of the lien established by article 6(e) of the exploration project contract. However, our review has disclosed the possibility that this may not be entirely true. Accordingly, in the event there is production from the property prior to the expiration of the repayment period (October 27, 1962), demand should be made on the property owner for payment of the percentage royalty. *

Furthermore, although the Operator (Idaho Beryllium and Mica Corporation) was insolvent at the time of the foreclosure and its royalty indebtedness was deemed uncollectible at that time, it remains liable for that indebtedness of $1,329.07 and also any royalty on future production prior to October 27, 1962. Of course, collection can be enforced against the Operator only in the event that it is, or becomes, solvent.

The U. S. Attorney, Boise, Idaho, stated in a December 8, 1955, letter to the Department of Justice that the Idaho Beryllium and Mica Corporation had no assets and its attorney had advised that it was no longer doing business. However, the Corporation Clerk, Office of the Secretary of State, State of Idaho, Boise, Idaho, informed Mr. Agnew in a January 18, 1956, letter that the corporation

* This sentence at request of Solicitor's Office (Mr. Phillaney and Hermon) is at odds with prior discussions (by Dwyer and Rubin, per 10/30/56 ltr, and Fynch and Raffiend, per 11/15/55 ltr.)
Talbert 11/15/60

was in good standing until June 30, 1956, the property was non-productive, and the officers were:

Leo J. Mason, President, Caldwell, Idaho
Samuel A. Swayne, Vice-President, Nampa, Idaho
John A. Carver, Jr., Secretary, Box 2574, Boise, Idaho

In order to establish in our records the present status and liability of Idaho Beryllium and Mica Corporation, it is requested that you make appropriate inquiry of both the Office of the Secretary of State, State of Idaho, and the corporation's secretary. The information we wish to establish is:

(1) Whether the Corporation is currently in good standing, or has been dissolved, or declared bankrupt;
(2) If in good standing, whether solvent or insolvent;
(3) If dissolved, whether or not there was any distribution of corporate assets;
(4) If declared bankrupt, when and by what court; and
(5) The names and addresses of the present, or last, officers.

George C. Selfridge

EDTalbert/ama
November 8, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

CA & A Division

NOV 3 1960

Memorandum

To: Solicitor

From: Acting Director

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Your October 28 memorandum, in reply to the September 23 request for an opinion on the September 20 inquiry from the Acting Field Officer, Region I, suggests referral, in accordance with the Comptroller General's July 1, 1958, decision (B-136448), of the matter of a possible claim for future royalty on production from property under the subject contract. The referenced decision provides that claims for delinquent royalties, administratively determined to be uncollectible, should be reported to the Claims Division of the General Accounting Office under the provisions of 4 GAO 5000 (formerly General Regulations No. 129).

The GAO regulations provide for reporting for further collection action of all debts, of $25.00 or more, determined to be administratively uncollectible. The reports are required to contain a complete statement of the facts and pertinent computations of the indebtedness. Furthermore, if the debt is $75.00 or more, the reports are to be accompanied by copies of all pertinent documents, including correspondence with the debtor.

The regulations further provide that debts shall be determined to be administratively uncollectible only after diligent and maximum collection efforts "commensurate with the circumstances in each case and the cost entailed". However, in promulgating these regulations by Budget and Finance Letter No. 140, dated August 16, 1956, the Department added the provision that "every effort possible shall be made to effect collection" of delinquent items.

The matter under consideration does not appear to be within the scope of the decision (B-136448), the regulations (4 GAO 5000), or departmental procedures. There is no delinquent account receivable of record, no computation of an indebtedness has been made, and no effort has been made to effect a collection.

NOTE: Withdrawn from Solicitor's files at request of Messrs. McPhillamey and Hernon. See underlining (in blue) in last paragraph of Solicitor's Oct. 28 memo.

Talbert 11/7/60.

Furthermore, a review of the docket on the subject contract discloses that under date of November 15, 1955, the DMEA Operating Committee advised the Executive Officer, DMEA Field Team, Region I, as follows:

> "Since the RFC mortgage lien is prior to the DMEA lien, it is apparent that the purchaser of the property at a sale made to satisfy the RFC lien would take the property free and clear of all subsequent liens".

This letter was drafted in the Office of the Solicitor, and the quoted paragraph was reiterated to the same addressee in an October 30, 1956, letter, which also was prepared in the Office of the Solicitor. In addition, the docket contains a transcript of an October 22, 1956, telephone conversation with the Assistant General Counsel of RFC indicating his concurrence with this opinion.

In view of the foregoing facts, reporting to the General Accounting Office does not appear appropriate at this time. Instead, if you concur, we propose to reply to the Acting Field Officer (successor to the Executive Officer), Region I, by referring to the November 15, 1955, and October 30, 1956, letters, and request him to inquire of the Secretary of State, State of Idaho, as to the present corporate status of the Idaho Beryllium and Mica Corporation.

EDTalbert/ama
November 2, 1960

Copy to: Docket
Director's Reading File
CA & A Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

OCT 28 1960

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Solicitor

Subject: Possible claim for past and future royalty on production.
IMEA-2607(Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Reference is made to the memorandum dated September 23, from the Chief, Division of Minerals, to this office enclosing a memorandum of September 20, from the Acting Field Officer, Region I, on this subject.

In the memorandum of September 20, you ask: "Although we apparently have closed the books on the Idaho Beryllium Corporation's royalty account, has the Government any hold on Mr. Sleete, who bought the property at a Sheriff's Sale, or on Mr. Sleete's successor in interest as far as collecting royalty on future production is concerned?"

An examination of the file reveals that the Reconstruction Finance Corporation had a mortgage on the Muscovite Mine of the Idaho Beryllium & Mica Corporation and its equipment which was foreclosed and sold at a Sheriff's Sale to Orville J. Sleete, a former employee of the corporation. According to a letter dated December 18, 1955, from the United States Attorney, Boise, Idaho, the funds received from the sale were insufficient to pay the obligation and the United States holds a deficiency judgment against the corporation for over $20,000.00. It is also stated in the letter that the corporation has no further assets, and their Attorney advises that the corporation is no longer doing business. It further appears that this Department in a letter dated December 29, 1955, advised the Attorney General that we were in agreement with the recommendation of the United States Attorney that the case not be prosecuted further and the account closed.

As you know, the Comptroller General in a decision dated July 1, 1958 (B-136448) held that claims for delinquent royalties on all production under Defense Minerals Exploration Administration Contracts which had been determined to be administratively uncollectible, should be reported to that office for collection.

In the circumstances, it is believed that your office should prepare, if it is considered administratively advisable to do so, a letter to the Comptroller General setting forth the pertinent facts and circumstances with supporting data for consideration and action.

THEODORE F. STEVENS
Solicitor

By: Robert H. McPhillamey

Robert H. McPhillamey
Acting Associate Solicitor
Division of Mineral Resources

Attachment

EXTRA COPY
O. M. E
RECEIVED SEP 23 1960

DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
September 20, 1960

Memorandum

To: Chief, Division of Operations

From: Acting Field Officer, Region I

Subject: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

In the September issue of the Engineering and Mining Journal on page 169 appears the statement: "A group of northern Idaho investors headed by John Brady, Moscow Attorney, has purchased the controlling interest in the old Muscovite mine of Western Mica Corp. * * *."

The Muscovite mine was the subject of the exploration program under Contract No. Idm-E426, Docket No. DMEA-2607 (Mica), Idaho Beryllium & Mica Corporation, which was certified January 12, 1954. The date of the contract is October 27, 1952.

Idaho Beryllium & Mica Corporation was unable to repay a Production Loan to the Reconstruction Finance Corporation and was liquidated. The property was sold at a Sheriff's Sale to Orville J. Sleete, a former employee of the corporation. Idaho Beryllium also was in default to DMEA in the amount of $1,329.07 from royalty due on production. This amount was ruled as uncollectible by DMEA as the assets of the corporation were insufficient to satisfy the claims of the R.F.C.

Although we apparently have closed the books on the Idaho Beryllium Corporation's royalty account, has the Government any hold on Mr. Sleete, who bought the property at a Sheriff's Sale, or on Mr. Sleete's successor in interest as far as collecting royalty on future production is concerned?

D. R. MacLaren

cc: CPR
DRP

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

140

Mr. A. Z. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

OCT 30 1956

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Ida-2666

Dear Mr. Weissenborn:

Reference is made to your letter of October 9, 1956, to the Operating Committee asking whether the DMEA lien on the land and production is still in effect under the subject contract.

In the Operating Committee's letter to you dated November 13, 1955, it was stated that "Since the RFC mortgage lien is prior to the DMEA lien, it is apparent that the purchaser of the property at a sale made to satisfy the RFC lien would take the property free of all subsequent liens."

Although the Operator remains liable for the royalty even though DMEA has no liens, based upon information from the Department of Justice that DMEA's claim is uncollectible and the recommendation of that Department that DMEA's account be closed out as uncollectible, the Solicitor informed the Attorney General in a letter dated December 29, 1955, that our account for royalty under the subject contract was closed. A copy of this letter was sent to you, and the same information was restated in the Operating Committee's letter to you dated January 6, 1956.

The Treasury Department is aware of the DMEA rights to royalty, and presumably will take them into account when disposing of the property.

Sincerely yours,
George C. Selfridge

Min/vog - Oct. 25, 1956
cc to: DMEA Docket
Adm. Read. File
Oper. Com.
TEKillingsgard, 5222
WTDdetrich, 3061
LEHouk (2)
JLChambers
RFDuyer
HCRaymond
Pending
Chron.
APPROVED:
Mr. Samuel M. Weinstein, Asst. Gen. Counsel, RFC
P. F. Yopes
Member, Bureau of Mines
Thor H. Kiilsgaard
Member, Geological Survey
Chairman, Operating Committee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

RECEIVED
MAR 16 1956

1201 N. Division St.
Spokane 2, Washington
March 12, 1956

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

In reply to your letter of January 6, we are enclosing a memorandum by M. R. Lickes, Bureau of Mines Engineer, copies of a Certificate of Sale covering the real property of Idaho Beryllium and Mica Corp., and a letter dated January 18 from Paula L. Fleenor, Corporation Clerk, State of Idaho.

We also have written to Mr. Harry B. Cockrum, Supervisory Field Representative for the Treasury Department, Defense Lending Division, Portland, Oregon, regarding the sale of Idaho Beryllium and Mica Corporation's assets to other parties (non-Government), but we have not received an answer to our inquiry from Mr. Cockrum.

All we can determine is that the Treasury Department still holds title to both the equipment and real property of the Corporation. Should we learn otherwise, we shall inform you.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund, Acting Member
U. S. Geological Survey

Enclosures

cc: USGS (2)
USBM (AD)

xxxxxxxxxxxxxxxxxx

1201 N. Division St.
Spokane 2, Washington
March 7, 1956

RECEIVED
MAR 16 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: M. R. Lickes, Mining Engineer, Bureau of Mines

Subject: Status of Idaho Beryllium & Mica Corporation, Latah County, Idaho, Docket No. DMEA-2607(mica), Contract No. Idm-E426 (completed and certified)

To ascertain the present status of the subject company, a visit was made to the Latah County Court House on February 29, 1956. Their records were consulted, and I was fortunate enough to contact three persons who were present at the time the assets of the company were sold; they gave substantially the same version of events. These people were: Dr. J. Donald Forrester, head of the Idaho Bureau of Mines and Geology, Louis (?) Prater, his assistant, both of Moscow, Idaho, and Mrs. Sturman of Deary, Idaho, whose son, Bernal, was custodian of the property prior to the sale.

Under a decree of foreclosure rendered by the United States District Court for the District of Idaho, Central Division, the real property of the Idaho Beryllium & Mica Corporation was sold on the premises at public auction August 23, 1955 to the Secretary of the Treasury for the sum of $80,000.00, he being the highest bidder. The real property is described in Certificate of Sale #2021 of the records of Latah County, Idaho, as: the NE¼/SE¼ and the SE¼/NW¼ and the south 330' of the NE¼/NW¼, all in sec. 22, T. 41 N., R. 2 W. of the Boise Meridian; also the surface rights to the Muscovite Mica and Lawrence Mica Lode mining claims, designated by the Surveyor General as Lot #1048 in the Robinson Mining District on the 20th day of June 1894, filed for record in Book 15 of Deeds at page 247, Mineral Certificate #6, U. S. Land Office. By order of the Court this property was sold in one parcel. By the terms of the sale, the property is subject to redemption within one year of date. The Certificate of Sale was signed by Saul H. Clark, U. S. Marshall for the District of Idaho, on October 25, 1955.

In addition to the above Certificate of Sale, there are in the Latah County Court House a chattel mortgage and four supplements thereto. Real Estate and Chattel Mortgage #180216, filed and recorded April 8, 1952, in the amount of $125,000.00 covered the real property described in the

Certificate of Sale and such personal property located on or adjacent to the real property: all mining and mill buildings, machinery, equipment, including automotive equipment, tools, furniture and fixtures. Supplemental chattel mortgages covered items as added to the inventory of the corporation as follows:

Supplemental	Chattel	Mortgage	#182257, filed October 31, 1952
"	"	"	#185707, filed December 15, 1953
"	"	"	#185752, filed December 22, 1953
"	"	"	#186337, filed March 16, 1954

According to eye-witness accounts of the sale, the heavy equipment, including bulldozers, was put up for sale at the mine as the first lot sold and was bid in by a Treasury representative. The next lot put up for bid was the real property described in the Certificate of Sale. The auctioneer then moved down the hill to the pump station where the pump and pump house were sold, after which the sale adjourned for lunch. After lunch the sale continued at the trimming shed in Deary, Idaho. Here the trimming shed building, including modern apartment and furnishings, and the trimming equipment were sold as separate lots. High bid on lots other than the real property are not on record at the Latah County Court House. Sale of all lots to a Treasury representative as high bidder is reported by all three witnesses.

We have been advised by the office of the Secretary of State, State of Idaho, that the Idaho Beryllium & Mica Corporation is in good standing until the end of the fiscal year, June 30, 1956, having filed an annual statement as required by law. The annual statement shows the property to be non-productive.

M. R. Lickes

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
MRL/he

C O P Y

CERTIFICATE OF SALE

RECEIVED
MAR 16 1956

191661 Book 4, page 213

U. S. Court for the District of Idaho - Central Division

United States of America, Plaintiff	)	
vs	)	No. 2021
	)	Certificate of Sale
Idaho Beryllium & Mica Corporation Defendant	)	

Under and by virtue of a decree of foreclosure rendered in and by the above entitled Court in said action, on the 16th day of May 1955 and under the authority of an order of sale duly issued out of said Court attested on the 16th day of May 1955 and to me the undersigned directed and delivered as U. S. Marshal for the District of Idaho, whereby I was commanded to sell the property described in said decree and hereinafter described according to law and to apply the proceeds of sale in satisfaction of the judgment in said action, amounting to $124,258.78 with interest and costs as specified in said decree:

I, Saul H. Clark, U. S. Marshal for the District of Idaho, do hereby certify that I duly sold the real property hereinafter described, on the 23rd day of August 1955 at 10:00 A.M. of said day at public auction, according to law, after due and legal notice given, on the said premises in Latah County, to the Secretary of the Treasury of the U. S. of America, for $80,000, he being the highest bidder, and that sum the highest bid therefor.

That said real property is situate in the County of Latah, State of Idaho, and particularly described as follows, to wit:

NW¼/SE¼ and SE¼/NW¼ and the south 330 feet of the NE¼/NW¼ all in Section 22, T. 41 N., R. 2 W., Boise Meridian.

Also the surface rights to the Muscovite Mica and Lawrence Lode mining claims, designated by the Surveyor General as Lot No. 1048, in the Robinson Mining District in the County of Latah, State of Idaho, on the 20th day of June 1894, filed for record in Book 15 of Deeds at page 247, Mineral Certificate No. 6, U. S. Land Office No. 24179 and more particularly described as follows:

(Here omitted survey description of claims)

That said property was by order of the Court sold in one parcel, that the highest price bid therefor was $80,000, which sum was the whole price paid for the same; and that said property is subject to redemption within one year of the date hereof.

Witness my hand this 25th day of October 1955.

Saul H. Clark

"A million opportunities await you in Idaho"

RECEIVED
BUREAU OF MINES
JAN 19 1956
SPOKANE, WASH.

IRA H. MASTERS
SECRETARY OF STATE

SECRETARY OF STATE SERVES ON:
STATE BOARD OF EXAMINERS
STATE LAND COMMISSIONERS
STATE BOARD OF ELECTIONS
STATE BOARD OF FORESTRY

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE
BOISE

RECEIVED
MAR 16 1956

January 18, 1956

Mr. Wing G. Agnew
UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. Division Street
Spokane 2, Washington

Dear Sir:

The records of this office show IDAHO BERYLLIUM & MICA CORPORATION incorporated July 7, 1950 with principal place of business at Caldwell, Canyon County Idaho. This corporation is in good standing until the end of the fiscal year June 30, 1956, having filed an annual statement as required by law. Annual statement shows the property to be non-productive.

The authorized capital stock of said corporation is $1,000,000.00 divided 900,000 shares common and 100,000 shares Class A. Preferred par value of $1.00 each. The amount of stock subscribed, issued and paid up is $643,087.00.

Officers: Leo J. Mason, President, Caldwell
Samuel A. Swayne, M. D., Vice-President, Nampa, Idaho
John A. Carver, Jr., Secretary, Box 2574, Boise, Idaho

I trust the above information will be of value to you.

Very truly yours,
IRA H. MASTERS, Secretary of State

By Paula P. Thomas
Corporation Clerk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

DEC 29 1955

Hon. Herbert Brownell, Jr.
Attorney General
Washington 25, D. C.

My dear Mr. Attorney General:

Receipt is acknowledged of a copy of a letter from Sherman F. Furey, Jr., United States Attorney, Boise, Idaho, to the Department of Justice, advising that a prior claim of the Reconstruction Finance Corporation has consumed all of the assets of the Idaho Beryllium and Mica Corporation without fully satisfying the claim, and recommending that under the circumstances the Department of the Interior not prosecute the case further but to close its Idaho Beryllium and Mica Corporation account under Contract No. Idm-E426, Docket No. DMEA-2607, as uncollectible.

We are in agreement with the United States Attorney in this respect and have thus closed the account.

Sincerely yours,

J. Lewis Cromarty

Solicitor

JLChambers/wb
December 19, 1955

Copy to: Secretary's File
Solicitor's Docket
DMEA Docket
Admr. Reading File, DMEA
Administrator, DMEA
Region I NWD Field Team (2)
Mr. Dwyer
Mr. Houk, DMEA
Mr. Chambers, DMEA

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 12/14/55

REFERRED TO:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. Mr. Selfridge
4. Mr. Chambers

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... X ..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS:

Comments of Legal?

Check (X) before the items needing attention.

J. L. Chambers
Initials of sender.

GPO 16—63815-1

INTERIOR DEPT.

Rcd. end
DEC 12 1955

DEC 12 1955

SOLICITOR

Boise, Idaho
December 8, 1955

RECEIVED
DEC 14 1955

Department of Justice
Washington 25, D. C.

Attention: Robt. E. Mulroney, Chief,
Trial Section - Lands Division

Re: U.S. v. Idaho Beryllium & Mica Corp. (C-45)
Dept. of Justice REM:VAA 90-1-18-218

Dear Mr. Mulroney:

We wish to advise that the mortgage in favor of the United States through the Reconstruction Finance Corporation against Idaho Beryllium Company has been foreclosed and all the property sold. The funds received were insufficient to pay the obligation, and the United States holds a deficiency judgment against the Idaho Beryllium Company for over $20,000.00. Idaho Beryllium Company has no further assets, and their attorney advises that they are no longer doing business.

In view of these facts, it is our recommendation that no suit be filed on the claim of the Department of Interior, but that this account be closed out as uncollectible and returned to the Department of Interior.

We are sending a copy of this letter to the Office of the Solicitor, Department of Interior, for their comments.

Very truly yours,
SHERMAN F. FUREY, JR.
United States Attorney
By:

MARION J. CALLISTER,
Assistant U.S. Attorney

MJC:mku
cc/Office of Solicitor
Washington 25, D. C.

cc to: Docket DMEA-2607
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

SEP 6 1955

Memorandum

To: The Administrator, DMEA
Attention: Mr. F. L. Knouse

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2607, Idaho Beryllium and Mica Corporation

As requested in Mr. Knouse's memorandum dated August 25 we have reviewed the docket concerning the subject contract to determine whether there is any new procedure which may be suggested to the United States Attorney for recovering DMEA's claim for royalty in the amount of $1,329.07 under the subject contract.

It appears that at the time when the contract was executed by the Government all physical assets of the subject company were under a mortgage to the RFC. RFC refused to subordinate its security under the mortgage to DMEA's claim for royalty under the contract. Nevertheless, it was administratively determined that a Subordination Agreement of RFC would be waived.

A Certification of Discovery or Development was made, the Operator made one royalty payment to DMEA, and the Operator now owes a balance in the amount indicated above.

The Operator has discontinued mining because of its inability to sell the grade of ore that it produces. The RFC obtained a judgment and an order to sell the Operator's mining claims and equipment. The Assistant Attorney General's letter of August 17 informed us that sale of these assets will not realize enough money to pay more than one-half the amount of the indebtedness due under the RFC loan. In these circumstances, the United States Attorney handling DMEA's claim has withheld filing suit until such time as it appears that collection could be made to satisfy another judgment.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

IF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 8/23/55

REFERRED TO:
1. ~~J. L. Chambers, DMEA~~
2. ~~Mr. Mittenthal~~
3. ~~Mr. Kramer, Legal Div.~~
4. ~~Talbert~~

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	✓ Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: Buck: I do not recall URFC acquiesced to the DMEA contract — if so — what implications are involved

Check (X) before the items needing attention.

J. L. Hoffland
Initials of sender.

GPO 16—68816-1

over.

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D. C.

Address Reply to the
Division Indicated
and Refer to Initials and Number DMEA-2607

WEB:RK
105-22-5
90-1-18-218

AUG 17 1955

jr

Department of the Interior
Office of the Solicitor
Washington 25, D. C.

INTERIOR DEPT.
AUG 18 1955
SOLICITOR

Re: Idaho Beryllium & Mica Corporation - DMEA-
BPA Loan No. 720,357. (C-45 and C-46)

Dear Sirs:

This refers to your letter of July 19, 1955 inquiring what steps were being taken to protect the interests of your Department.

There is enclosed a copy of a self-explanatory letter received from the United States Attorney.

Apparently all of the property of the Idaho Beryllium and Mica Corporation was included in the mortgage to Reconstruction Finance Corporation; and according to the United States Attorney it is estimated that on foreclosure the property will not realize more than enough to pay more than half of the note secured by the mortgage.

If you feel that the United States Attorney should proceed in any different manner from that proposed by him with respect to the claim of your Department, we will be glad to give consideration to such procedure as you may suggest.

Yours very truly,

WARREN E. BURGER
Assistant Attorney General
Civil Division

By: George F. Foley
George F. Foley
Chief, Government Claims Section

Encl. No. 137642

ENCLOSURE
Nº 137642

FROM

Department of Justice

U. S. GOVERNMENT PRINTING OFFICE 16—71087-1

Boise, Idaho
Aug. 2, 1955

Department of Justice
Washington 25, D. C.

Attention: George F. Foley, Civil Division

Re: Idaho Beryllium & Mica Corporation - DPA Loan
No. 720,357. (C-45 and C-46)
Dept. Justice WLB:RK 105-22-5 and 90-1-18-218.

Dear Sir:

With reference to the letter of the Deputy Solicitor of the Department of Interior, dated July 19, 1955, we wish to advise that no action has been taken on the claim of the Department of Interior for the reason that all of the property of Idaho Beryllium and Mica Corporation was mortgaged to the United States and it is estimated that on foreclosure sale the property will not bring enough to pay more than half of the note secured by the mortgage. Idaho Beryllium & Mica Corporation has no other assets and will probably cease doing business as a corporation within the next year.

For this reason we have withheld filing suit on the claim of the Department of Interior until it appears that there is some way that collection can be made after judgment, or until it appears that Idaho Beryllium & Mica Corporation will continue doing business as a corporation.

If this procedure is not satisfactory we would appreciate your suggestions in the matter.

Very truly yours,
SHERMAN F. FOREY, JR.
United States Attorney
By

MARION J. CALLISTER
Assistant U. S. Attorney

MJC/nr

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

JUL 19 1955

Hon. Herbert Brownell, Jr.
Attorney General
Washington 25, D. C.

My dear Mr. Attorney General:

By letter dated March 7, 1955 (your reference REM:VAA 90-1-18-218), this Department was advised that the case concerning royalties due the United States by the Idaho Beryllium and Mica Corporation, P. O. Box 176, Deary, Idaho, under Exploration Project Contract No. Idm-E426, Docket No. DMEA-2607, had been referred to the United States Attorney at Boise, Idaho.

Our regional office recently has advised us as follows:

> "The Government has obtained a judgment and order of sale upon the mining claims, machinery, tools, and equipment of the Idaho Beryllium and Mica Corporation. U. S. Marshall Clark of Boise, Idaho, on May 23, 1955 appointed Bernal Sturman of Deary, Idaho, custodian of the same. All equipment is for sale."

It is presumed that "the Government" refers to the Reconstruction Finance Corporation, which held a mortgage on the property of the Idaho Beryllium and Mica Corporation at the time the Exploration Project Contract was executed.

We would appreciate being informed as to what action is being taken to protect the interests of this Department in this matter.

Sincerely yours,

Edmund J. Fritz

DEPUTY Solicitor

cc to: Secretary's File
Solicitor's Docket
DMEA Docket
Admr. Reading File, DMEA
Administrator, DMEA
Region I NWD Field Team (2)
Mr. Hofflund
Mr. Houk, DMEA
Mr. Chambers, DMEA

EDTalbert/wb
July 13, 1955

ADDRESS REPLY TO
"THE ATTORNEY GENERAL"
AND REFER TO
INITIALS AND NUMBER

REM:VAA

90-1-18-218

UNITED STATES
DEPARTMENT OF JUSTICE
WASHINGTON 25, D. C.

March 7, 1955

INTERIOR DEPT.
MAR 8 - 1955
SOLICITOR

J. Reuel Armstrong, Esquire
Acting Solicitor
Department of the Interior
Washington, D. C.

E 426

Dear Mr. Armstrong:

Receipt is acknowledged of your letter dated February 14, 1955, concerning the Idaho Beryllium and Mica Corporation, Post Office Box 176, Deary, Idaho. (Your reference: Defense Minerals Exploration Administration.)

This matter has been referred to the United States Attorney at Boise, Idaho, suggesting that he write a registered letter, return receipt requested, demanding payment of the amount due to the United States. If payment is not forthcoming promptly, the United States Attorney has been authorized to bring suit.

Sincerely,

PERRY W. MORTON
Assistant Attorney General
Lands Division

By: Robt. E. Mulroney
Robt. E. Mulroney
Chief, Trial Section

RECEIVED
MAR 8 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 14 1955

My dear Mr. Attorney General:

There is submitted for appropriate action the case of the Idaho Beryllium and Mica Corporation, P. O. Box No. 176, Deary, Idaho, a party to a minerals exploration contract with the Defense Minerals Exploration Administration of this Department, under Exploration Project Contract No. Idm-E426, Docket No. DMEA-2607.

In general, the contract provides that the Corporation carries out an exploration project for mica as outlined in Exhibit "A" and Amendments 1, 2, 3, and 4 thereto, all of which are parts of the contract, and that the Government will reimburse the Corporation for 90 percent of the costs of the units of work actually completed.

The contract also provides that if the Government issues a "Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract" the Corporation shall pay a royalty on any production of ore from the land described in the contract until the amount contributed by the Government (in this case $24,299.32) is fully repaid, or for a period of 10 years from the date of the contract, whichever occurs first.

Information furnished our regional office by the purchaser of the ore produced by the Corporation shows that up to October 11, 1954, sales of ore produced under the contract amounted to $64,314.91, and that royalty at 5 percent on the sale due the Government amounted to $3,215.75. On January 21, 1954, the Corporation made a payment of $1,886.68, leaving a balance due of $1,329.07. Our Audit Division audited the royalty accounts of the Corporation on October 20 and 21, 1954, and confirmed the above sales figures from the records of the Corporation. Although the Administration has frequently requested the Corporation to settle its account, further payment has not been made.

The following Enclosures will give additional information on this case. They are photostats or true copies of the documents described.

Enclosure No. 1. The contract, Exhibit "A", and Amendments 1, 2, 3, and 4.

Enclosure No. 2. Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract.

Enclosure No. 3. Letter from Willard P. Puffett, for A. E. Weissenborn, DMEA Executive Officer, Region II (changed January 1955 to Region I, Northwest District) dated August 12, 1954, to the Corporation requesting payment of royalties due.

Enclosure No. 4. "Royalty Audit Certificate" issued by Clarence E. Fisher, auditor of the Administration, October 28, 1954, a copy of which was furnished the Corporation. In addition the auditor talked to Corporation officials about paying the account.

Enclosure No. 5. Letter from C. O. Mittendorf, Administrator, under date of November 17, 1954, to John A. Carver, Jr., Secretary of the Corporation, requesting payment of balance of royalties due.

Enclosure No. 6. Letter from Orville J. Slette, General Manager of the Corporation, under date of November 24, 1954, in reply to letter of C. O. Mittendorf.

Enclosure No. 7. Letter from C. O. Mittendorf, Administrator, under date of January 4, 1955, in reply to Corporation's letter of November 24, 1954.

Sincerely yours,

J Lenel Armstrong

ACTING Solicitor

Hon. Herbert Brownell, Jr.
Attorney General
Washington 25, D. C.

Enclosures

JLChambers/wb
February 3, 1955

Copy to: Secretary's File
Solicitor's Docket
DMEA Docket
Admr. Reading File, DMEA
Administrator, DMEA
Region I (NW) Field Team (2)
Mr. Hofflund
Mr. Houk, DMEA
Mr. Chambers, DMEA

C
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

January 4, 1955

Mr. John A. Carver, Jr., Secretary
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Carver:

Reference is made to Mr. Orville J. Slette's letter of November 24, 1954, on payment of delinquent royalties due the Government.

Your proposal is unsatisfactory as it provides for no immediate payment on account and no schedule of regular periodic payments thereafter. The royalties are past due, and this agency cannot do other than require payment in full or reasonable payments on account. Regardless of whether the Idaho Beryllium and Mica Corporation's mine continues to produce mica, the delinquent DMEA royalty account must be paid.

The matter will be referred to the Attorney General for appropriate action in the absence of an immediate reasonable payment on account.

Sincerely yours,

/s/ C. O. Mittendorf

Administrator

LGHouk/JLHofflund/emd
12/22/54
Copy to: DMEA Docket
Solicitor's Docket
Adm. Reading File
Operating Committee
W. F. Dietrich, USBM
T. H. Kiilsgaard, USGS
L. G. Houk
Field Team, Region II
J. L. Hofflund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 17 1954

Mr. John A. Carver, Jr., Secretary
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Ida-E426

Dear Mr. Carver:

Reference is made to our letter of October 1, 1954, in regard to royalty due the Government on production under the above-cited contract.

To date it appears that you have not effected a settlement of your account. Before I refer the matter to the Attorney General of the United States for action, I want to give you another opportunity to make a satisfactory settlement. Please let us have a statement of your proposed action not later than December 10, 1954.

Sincerely yours,

C. O. Mittendorf

Administrator

JLChambers/wb
November 17, 1954

Copy to: Docket
Admr. Reading File
F.T. Region II
Administrator
Mr. Killsgaard, 3061
Mr. Dietrich, 3061
Mr. Chambers
Mr. Houk

ROYALTY
AUDIT REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 4 - 1954

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

MINOR ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of mica and beryl for the period October 27, 1952, to October 11, 1954, by the:

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

produced from the Muscovite Mine in Latah County, Idaho, under the terms of Contract No. DMA-426, Docket No. DMA-2607.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of mica and beryl subject to royalty payments for this period to be $64,314.91. Royalty due the United States Government at the contract rate of 5 percent is $3,215.75. The royalty paid and balance due are as follows:

Total Royalties Due	$3,215.75
Total Royalties Paid	1,886.68
Balance Royalties Due	$1,329.07

Clarence E. Fisher
Clarence E. Fisher
Auditor

October 23, 1954

Defense Minerals Administration
RECEIVED
NOV 4 - 1954

[illegible] AUDIT REPORT

I. [illegible]

On October 20 and 21, 1954, an audit of royalty payments received covering the period October 27, 1952, to October 11, 1954, was made of the production records and ore sales accounts pertaining to Contract No. [illegible]-426, Docket No. [illegible]-2607, including Amendments No. 1 through 4, with the:

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

covering a project of exploration for mica, located in Latah County, Idaho, and generally known as the Muscovite Mine.

The production records and ore sales accounts pertaining to this contract are located in the company's office at the above address and are maintained by Mr. Orville J. Miette, general manager, Idaho Beryllium and Mica Corporation, who was available during this audit and was consulted when necessary.

Mr. W. S. Anderson, mining engineer, Bureau of Mines, and Mr. C. A. Turner, auditor, Defense Minerals Exploration Administration, collaborated in the audit.

The cooperation of all concerned greatly facilitated the audit work.

II. [illegible] AUDIT

This exploration contract was dated October 27, 1952. Work under the contract was completed in August 1953, and Report of Review dated September 14, 1953, signed by Mr. Robert F. Hull, auditor, Defense Minerals Exploration Administration, indicated accepted costs under the contract aggregated $25,999.25 and that the United States Government's participation, on a 90 percent basis, amounting to $24,299.32 is considered valid and proper.

Amendment No. 1 to the original contract provided that the minerals subject to royalty payments shall be those mined or produced below a horizontal plane drawn at the bottom of the No. 4 level at an altitude of 4,270 feet, together with all minerals mined or extracted through the No. 5 tunnel.

The operator conducted mining operations above the 4,270-foot level, which is the open-pit portion of the property, during the time the exploration work provided in the contract was in progress.

In January 1953 a total of 2,[illegible] pounds of mica, which had been recovered from the portion of the property benefited by the exploration work, was taken to the company's trimming shed at [illegible], Idaho, for ritting, splitting, and cutting. This was an experiment to determine whether it would be profitable to process the mica recovered below the 4,270-foot level for sale as block or film mica under Program A of the General Services Administration purchase program.

The experiment was abandoned after 2,[illegible] pounds of mica had been processed, resulting in a recovery of only 23.25 pounds of Program A mica, or less than 1 percent of the quantity processed. The remaining 215 pounds were subsequently sold as Program B, hand-cobbed mica.

All mica subsequently mined from below the 4,270-foot level has been sold to the Mica Purchase Depot, Custer, South Dakota, as Program B, hand-cobbed mica. Even then such mica has been co-mingled with production from the open pit, the general manager explaining that this is being done to "up grade" the underground mica to an acceptable standard under Program B.

The operator's principal customer for mica since the date of the exploration contract, October 27, 1952, has been the General Services Administration Custer Depot. All of the mica subject to Government royalty has been sold to that depot, together with the major portion of all other mica sold, although some small sales, principally, scrap, punch, and trims, have been made to others.

III. [illegible]

The audit was limited to determining the accuracy and propriety of royalty payments received by the Government during the period October 27, 1952, to October 31, 1954, and a determination that all indicated sales of ores subject to Government royalties under the exploration contract have been properly accounted for.

There is attached to this report a Statement of Royalty Payments Received. This statement includes a listing of all sales to General Services Administration Mica Purchase Depot, Custer, South Dakota, during the period under review. It was prepared from the operator's production and shipping records and has been checked with copies of G.S.A. Form 1013, Warranty, Acceptance and Invoice, executed by representatives of the Mica Purchase Depot and the operator. Sales to other companies or individuals have not been included in this statement for the reason that none of such sales involved ores subject to Government royalty payments.

The statement also includes the quantity of mica and beryl in each shipment subject to royalty payments, together with the amount realized from such portions of the shipments, the rate of royalty, and amount of royalty due separated between that paid and that unpaid at the date of this audit.

The audit indicated that the operator had paid royalties on shipments to and including those covered by [illegible] No. C-257, [illegible] 30, 1953; however, the operator overlooked the fact that royalties were payable on the mica processed in January 1953 as an experiment. Based on average price received for program A mica included in [illegible] No. C-72, January 22, 1953, and the going price for program B mica in January 1953, the applicable royalty would amount to $12.35 computed as follows:

	Program A	Amount of sales	Royalty Rate	Royalty Amount
23.25 pounds	@ 27.5¢ (average price)	[illegible].51	5%	[illegible].13
	Program B			
	215 pounds @ 30¢	64.50	5%	3.22
Totals		$247.01		12.35

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
NOV 4 1954

17. CONCLUSIONS

A summary analysis of sales of mica and beryl by Idaho Beryllium and Mica Corporation to General Services Administration Mica Purchase Depot, Custer, South Dakota, during the period October 27, 1952, to October 11, 1954, shows the following:

MICA

	Program A	Program B	Beryl	Total
Gross weight - pounds	3,732.86	452,855	4,230	465,307.86
Less: portion not subject to royalty	3,709.61	239,176	3,430	251,305.61
Balance subject to royalty	23.25	213,679	800	213,702.25
Gross receipts	$37,136.85	$128,492.23	$1,145.26	$216,734.34
Less: portion not subject to royalty	37,004.34	64,569.43	935.66	152,419.43
Balance subject to royalty	$ 132.51	$ 63,922.80	$ 209.60	$ 64,314.91
Royalty percentage	5%	5%	5%	5%
Royalties due	$ 6.63	$ 3,196.14	$ 10.48	$ 3,215.75
Royalties received	-	1,876.20	10.48	1,886.68
Royalties Balance Due	$ 6.63	$ 1,319.94	$ -	$ 1,327.07

The audit has confirmed the accuracy and propriety of the royalty payments received by the Government during the period October 27, 1952, to October 11, 1954. It has also determined that all indicated sales of ores subject to repayment royalties under the exploration contract have been properly accounted for except for the balance due of $1,327.07, set forth in the above tabulation and as detailed on the attached Statement of Royalties Received.

Clarence E. Fisher
Clarence E. Fisher
Auditor

October 23, 1954

IDAHO BERYLLIUM AND MICA CORPORATION
Exploration Contract Idm-2426, Docket MMMA-2667

STATEMENT OF ROYALTY PAYMENTS RECEIVED
Period October 27, 1952, to October 11, 1954

General Services Administration settlement sheet							Portion of sales subject to DMMA royalties					
Date	G.S.A. Lot No.	Gross weight pounds	Gross value	Reductions	Net value	Net value per pound	Pounds	Amount	Rate of royalty	Royalty due	Royalty paid	Balance due
General Services Administration												
Mica Purchase Depot, Custer, South Dakota												
Mica - Program A												
11/28/52	C- 64	1,694.59	$17,052.99	--	$17,052.99	$ 10.06						
12/31/52	82	1,000.00	12,035.83	--	12,035.83	12.04						
1/22/53	92	1,200.00	9,423.99	--	9,423.99	7.85	23.25	$ 182.51	5%	$ 9.13		$ 9.13
2/16/53	103	1,227.13	15,809.00	--	15,809.00	12.88						
4/6/53	122	100.50	957.00	--	957.00	9.52						
4/29/53	132	354.75	3,412.25	--	3,412.25	9.62						
5/16/53	141	322.00	3,315.50	--	3,315.50	10.30						
5/25/53	144	290.00	3,176.00	--	3,176.00	10.95						
6/8/53	152	307.37	2,893.68	--	2,893.68	9.41						
6/25/53	167	389.27	3,336.74	--	3,336.74	8.57						
7/2/53	168	200.00	1,594.00	--	1,594.00	7.97						
7/29/53	191	200.00	1,833.99	--	1,833.99	9.17						
8/22/53	210	200.41	1,812.00	--	1,812.00	9.05						
9/25/53	223	215.00	1,701.87	--	1,701.87	7.92						
10/6/53	228	218.22	1,883.68	--	1,883.68	8.35						
10/13/53	232	210.25	1,828.12	--	1,828.12	8.70						
10/29/53	244	364.12	3,276.74	--	3,276.74	9.00						
10/11/54	370	239.25	1,901.87	--	1,901.87	7.95						
Totals		8,732.86	$87,186.85		$87,186.85	$ 9.98	23.25	$ 182.51		$ 9.13		$ 9.13
Mica - Program B												
12/4/52	C- 68	80,000	$24,000.00	--	$24,000.00	$ 0.30						
1/20/53	92						215	$ 64.50	5%	$ 3.22		$ 3.22
8/3/53	198	73,950	22,185.00	--	22,185.00	0.30	49,106	14,731.80	5%	736.59	$ 736.59	
8/22/53	209	35,050	10,515.00	--	10,515.00	0.30	21,114	6,334.20	5%	316.71	316.71	
10/28/53	240	33,849	10,154.70	--	10,154.70	0.30	27,906	8,371.80	5%	418.59	418.59	
11/4/53	245	34,515	10,354.50	--	10,354.50	0.30	7,995	2,398.50	5%	119.92	119.92	
11/30/53	257	41,181	12,354.30	--	12,354.30	0.30	18,959	5,687.70	5%	284.39	284.39	
1/26/54	282	26,946	8,083.80	--	8,083.80	0.30	26,576	7,972.80	5%	398.64		398.64
3/4/54	295	35,873	10,761.90	--	10,761.90	0.30	35,873	10,761.90	5%	538.10		538.10
4/19/54	309	34,373	10,311.90	--	10,311.90	0.30	25,332	7,599.60	5%	379.98		379.98
6/17/54	329	33,118	6,082.13	--	6,082.13	0.18						
8/31/54		24,000	3,600.00	--	3,600.00	0.15						
Totals		452,855	$128,402.23		$128,402.23		213,076	$63,922.80		$3,196.14	$1,876.20	$1,319.94
Beryl												
9/22/53	B- 24	1,890	$ 495.18	--	$ 495.18	$ 0.262	800	$ 209.60	5%	$ 10.48	$ 10.48	
6/28/54	81	2,390	650.08	--	650.08	0.272						
Totals		4,280	$ 1,145.26		$ 1,145.26		800	$ 209.60		$ 10.48	$ 10.48	
Grand Totals			$216,734.34		$216,734.34			$64,314.91		$3,215.75	$1,886.68	$1,329.07

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

November 8, 1954

Memorandum

To: Administrator

From: Jay L. Chambers, Chief
Contract Administration and Audit Division

Subject: First Royalty Audit Report, Idaho Beryllium and Mica Corp.
Contract No. Idm-E426, Docket No. DMEA-2607.

I am attaching to Mr. Fisher's royalty audit of the Idaho Beryllium and Mica Corporation a special financial report which indicates that the Corporation will be unable to pay royalty due on Corporation sales. I thought you might need this in making determination on whether or not to demand that the Corporation pay its delinquent royalty account.

Attachment

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 1 0 1954

Mr. Clarence E. Fisher
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E426, DMEA-2607
Idaho Beryllium and Mica Corp.
Latah County, Idaho

Dear Mr. Fisher:

It is possible that my letter of November 8, 1954 in regard to your First Royalty Audit Report covering the referenced contract may not have reached you. For this reason I am confirming my acceptance of the report and advising that normal distribution may be effected.

The working papers applicable to this audit have been received. They will be placed in your desk until your return to Washington.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
November 10, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Mr. Clarence E. Fisher
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Ida-E426, DMEA-2607
Idaho Beryllium and Mica Corp.
Latah County, Idaho

Dear Mr. Fisher:

Receipt is acknowledged of your First Royalty Audit Report and Certificate covering the referenced Exploration Project Contract. The Report is accepted and normal distribution may be effected.

Your letter of October 26 transmitting the working papers applicable to this audit has been received. The working papers will be placed in your desk until your return to Washington.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
November 8, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 - 1954

XXXXXXXXXXXXXXXXX
157 South Howard St.
Spokane, Washington

October 29, 1954

Mr. J. F. McGuiness, Superintendent
General Services Administration
Mica Purchase Depot
Custer, South Dakota

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. McGuiness:

We have been receiving from you copies of GSA Form 1013, Warranty, Acceptance and Invoice, pertaining to shipments of mica by the subject company in accordance with our request dated December 22, 1953.

A recent audit of royalties due from Idaho Beryllium and Mica Corporation disclosed that company had made two sales of beryl to your agency being Lot No. B-24, September 21, 1953 and Lot No. B-81, June 28, 1954. In order that our files pertaining to royalties due from that company may be complete, will you please furnish us with copies of these settlement statements and copies of any future settlement statements pertaining to shipments of either mica or beryl from the Muscovite Mine.

Very truly yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

cc: Jay L. Chambers

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

203

August 12, 1954

Mr. Orville J. Slette, Manager
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Slette:

We have received letters from Mr. J. F. McGinness, Depot Superintendent, General Services Administration, enclosing copies of Warranty, Acceptance and Invoice forms covering purchases of hand-cobbed mica from your company on January 26, 1954 (Lot C-282), March 4, 1954 (Lot C-295), April 19, 1954 (Lot C-309), and on August 2, 1954 (Lot C-329).

To date we have not received any royalty payment from you for these shipments. If any of these shipments were produced from that portion of your mine from which production is subject to Government royalty, it is essential that we obtain royalty payment at the earliest possible date.

Please forward to this office the necessary royalty payments with records substantiating the location from which the mica was produced plus the proceeds realized from the sale of the mica. Please make the check payable to the Treasurer of the United States and forward it to A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington.

Sincerely yours,

Willard P. Puffett
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Puffett

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Defense Minerals Administration
RECEIVED
JAN 11 1954

Schedule No. 102

Sheet No. 1

DEPARTMENT OF THE INTERIOR
(Department or Establishment)

DEFENSE MINERALS ADMINISTRATION
(Bureau or Office)

Received by A. G. WALKER, REGIONAL DISBURSING OFFICER (Name) (Title) at Portland, Oregon (Station)

Period January - 1954 (Month or quarter ended) 14-23-020 D. O. Symbol No. 420

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
1954 1/7	---	Idaho Beryllium and Mica Corp.	Royalty payment on ore shipped, contract Idm-2420, Idaho Beryllium & Mica Corp. (Muscovite Mine).	$1,080.08	
1/7	---	American Smelting and Refining Company	Royalty payment on ore shipped, cont. Idm-2240, January Mine.	1.87	
			COLLECT 14X4401 - $1,088.55		
			TOTAL,	$1,088.55	

Received _____, subject to collection.

Forwarded January 7, 1954

A. G. WALKER, REGIONAL DISBURSING OFFICER
(Disbursing clerk or accountable officer)

By _____

By _____ (Name)

Title R. J. Lindman
Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

December 23, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-2429

Dear Mr. Houk:

We have received an initial royalty payment of $1,865.00 from the Idaho Beryllium and Mica Corporation for production of mica from the Muscovite mine between the dates of October 27, 1952, and November 28, 1953. Although they had indicated in an earlier letter dated December 10, 1953, the quantity of shipments made from the mine during this period, there was no documented evidence in this letter or with the letter forwarding the royalty concerning their mica shipments.

We have no reason to doubt the statements in their letter of December 10, 1953, but nonetheless it is our intention to obtain some kind of documented evidence concerning their shipments. In line with this we have written the Mica Purchase Depot at Custer for copies of records of shipments to there from the Muscovite mine. Also we have a copy of a letter from you to the Spruce Pine Mica Depot requesting information on shipments from the Muscovite mine to that purchase depot. If you have received an answer to your letter to the Spruce Pine Depot, we would appreciate obtaining any information from that source which you have received. We wish to avoid, if possible, two inquiries for the same information.

Yours very truly,

W. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

cc: DMA (2)
USBM (2)
Hindman
Duffett

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have examined the Monthly Reports of

Idaho Beryllium and Mica Corporation
Box 176
Deary, Idaho

pertaining to Exploration Project Contract No. Idm-2426, Docket No. DMEA-2607, including Amendments Nos. 1, 2, 3, and 4, for the months of November 1952, and January 1953 through August 1953, covering a project for the exploration of mica.

My review included an examination of the Monthly Reports (Forms MF-104) comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

The contract provides for payment by the Government on the basis of estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by contractor	$27,194.25
Exceptions:	
By DMEA Certifying Officer	none
By review	195.00
Total accepted costs	$26,999.25

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor in the amount of Twenty Four Thousand Two Hundred Ninety Nine and 32/100 Dollars

$24,299.32

is considered valid and proper.

Robert M. Hull
Robert M. Hull
Auditor

September 14, 1953

SCHEDULE OF EXCEPTIONS

Idaho Beryllium & Mica Corporation
Docket No. DMEA 2606
Contract No. Idm-2426

Costs as claimed by Operator

Timbering - 250 feet @ $5/ft.	$1,250.00
Disallow for excess footage - 39 feet @ $5/ft.	195.00
	$1,055.00
Total disallowance	$ 195.00

Status of "allowable maximums"

Item	Allowable Maximum	Work actually performed	Allowable	Balance
Diamond drilling				
*1200 feet @ $4.50 a/	$5,400.00	754 ft. @ $4.00	$3,016.00)	
		446 ft. @ 4.50	2,007.00)	$377.00
Timbering				
**211 feet @ $5.00	1,055.00	250 ft. @ 5.00 or $1250.00	1,055.00	Excess $195.00

*Amendment No. 2 provided that total drilling shall not exceed 1200 feet.

a/Agreed estimated cost of surface drilling. The agreed estimated cost of drilling from underground stations is $4.00/ft.

**Amendment No. 4 provided that new headings shall be timbered for a length not to exceed 211 feet.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OCT 13 1953

AIR MAIL

Mr. Robert M. Hull
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-F422, DMA-1186I
Elkhorn Mining Company
and
Idm-F426, DMA-2607
Idaho Beryllium & Mica Corp.

Dear Mr. Hull:

Receipt is acknowledged of the three copies of the Reports of Review for each of the referenced projects, which were transmitted by your letter of October 7, 1953.

The Report covering Idm-F426 is acceptable and normal distribution may be effected. The Report covering Idm-F422, however, is returned herewith for revision of the reason (b), which indicates that a large portion of the work was on an "agreed unit cost" basis. This was not the case.

This is an old form contract on an actual cost basis. Apparently the costs referred to in your reason (b) were the actual costs incurred under an approved sub-contract. Therefore, the following reason appears to be applicable:

(b) a major portion ($4,185.75) of the costs covered diamond drilling at rates specified in an approved sub-contract and a further portion ($840.00) covered bulldozing at hourly rates prevailing in the area.

It is noted that you have omitted the following reason which is generally applicable to actual cost contracts: "the monthly reports were supported by documentary proof of the costs incurred under the contract." I assume this omission was intentional since part of the costs were incurred prior to the date when documentary support was required. Is my assumption correct?

In a letter dated September 21, 1953 addressed to all auditors I requested that the initial paragraph of all Audit Certificates, Audit Reports and Reports of Review include a statement as to the county and state in which the property is located and the "common" name of the property. Please include it in the revision of the Report for Idm-E144 and in all future Reports and Certificates.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

~~XXXXXXXXXXXX~~
EDTalbert/wb
October 13, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

Defense Minerals Administration
RECEIVED
OCT - 9 1953

xxxxxxxxxxxxxxxxx
1201 North Division St.
Spokane 2, Washington
October 7, 1953

AIR MAIL

Mr. Jay L. Chambers, Chief,
Contract Administration and Audit Division,
Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

Dear Mr. Chambers:

Submitted herewith are three copies each of Reports of Review pertaining to

Elkhorn Mining Company, Docket No. DMA-1186X,
Contract No. Idm-E144

Idaho Beryllium and Mica Corporation,
Docket No. DMEA-2607, Contract No. Idm-E426

Sincerely yours,

Robert M. Hull
Auditor

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

October 7, 1953

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 N. Division
Spokane 2, Washington

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-1426

Dear Mr. Hindman:

This is to inform you that the Operator has submitted his final engineering report on the subject property and is accepted as satisfactory.

It is recommended that the Operator's final invoice be accepted for vouchering and payment.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Con. Adm. & Aud. Div., Wash.
R. Hull, Auditor
Puffett

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1953 Docket No. DMEA _____ Contract No. Idm-D426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 23,700.00 Government Participation: 90% Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond, Surface		2007.00	2007.00		2007.00	2007.00
~~Bulldozing~~ Timbering 5 ft	30.00	1220.00	1250.00	16.00	1220.00	1255.00
Crosscutting 8 1/2 ft.	276.25	455.00	731.25	276.25	455.00	731.25
Drifting 51 ft.	1657.50	14485.00	16142.50	1657.50	14885.00	16542.50
Diamond Drilling underground		3016.00	3016.00		3016.00	3016.00
Raising 14 ft.	455.00	942.50	1397.50	455.00	942.50	1397.50
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00		2250.00	2250.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2418.75	24375.50	26794.25	2388.75	24775.50	27164.25

I certify that the above bill is correct and just and that payment therefor has not been received.

Date August 24, 53 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2001.36

Signature _____ (Authorized Certifying Officer)

Date 10/29 Vou. No. 947
(See other side)

Final payment. See audit report dated 9/14/53.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 8/31/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 8/31/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA _____ Contract No. Idm-1426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	1657.50	51	16112.50	509	32.50		
Crosscutting	Foot	276.25	8 1/2	731.25	22 1/2	32.50		
Raising	Foot	455.00	14	1397.50	43	32.50		
Shafts								
Winzes								
Drilling: ~~Cross~~ Underground	Foot			3016.00	754	4.00		
~~Cross~~ Surface	Foot			2007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	30.00	6	1250.00	250	5.00		
TOTAL DISTRIBUTED COSTS		2418.75	79 1/2	24544.25				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		2418.75		26794.25				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date August 24, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary
John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

DEPARTMENT OF THE INTERIOR
Bureau Minerals Administration
RECEIVED
OCT 23 1953

NARRATIVE REPORT

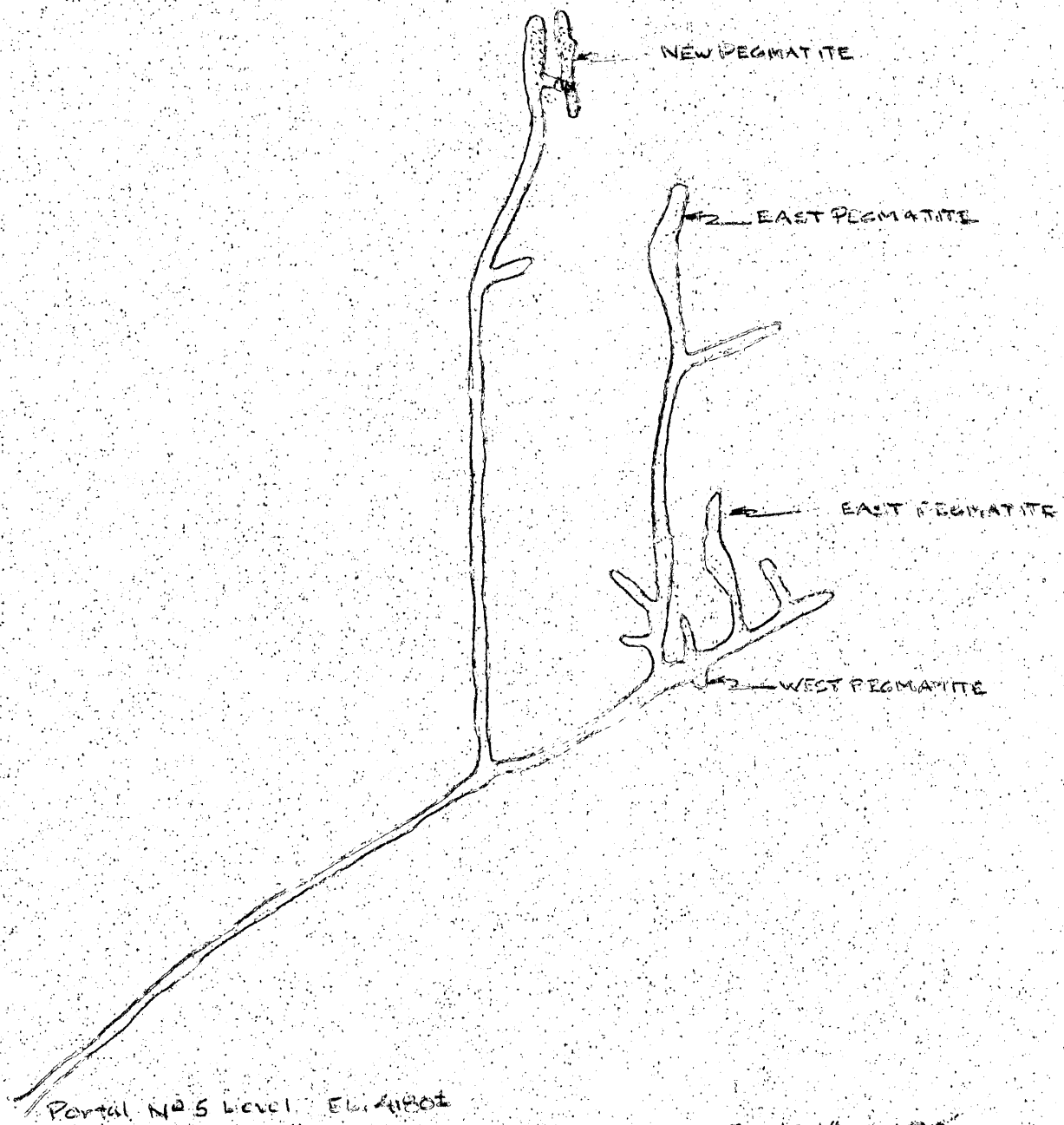
Idaho Beryllium & Mica Corp.
Contract No. Idm-E426
August 24, 1953

The raise was extended to the 43 foot point at which strategic book mica was found. Drifting was done on both sides of the raise to determine the extent of the pegmatite. The drifts were extended 16 1/2 feet to the south and 34 1/2 feet to the north. Two crosscuts were made to determine width.

The pegmatite is 45 feet long on this level and varies from 18 inches to 9 feet wide. The footwall zone contained strategic mica of mineable grade with scattered books throughout the pegmatite.

Stopeing operatings will begin in the near future.

DMEA Docket No 26-57
(Mica)



Scale 1" = 100'

Idaho Beryllium & Mica Corp. Muscovite Mine - Latah County, Idaho

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 43-R1036.3.
Approval expires 6-30-53.

RECEIVED
AUG 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond-Surface		2,007.00	2,007.00			
~~Bulkhead~~ Timbering 33 ft	165.00	1,055.00	1,220.00			
Crosscutting		455.00	455.00			
Drifting		14,885.00	14,885.00			
Diamond Drilling, underground		3,016.00	3,016.00			
Raising - 29 ft.	942.50		942.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2,250.00	2,250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,107.50	23,668.00	24,775.50	1107.50	23668.00	24775.50

I certify that the above bill is correct and just and that payment therefor has not been received.

Date August 4, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 996.75

Signature [illegible]
(Authorized Certifying Officer)

Date 8/13/53 Vou. No. 859
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 426 in accordance with the terms of the contract.

Signature S/ W. S. Anderson Title M. Eng. Date 8/7/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ P. E. Howard Title M. Eng. Date 8/7/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA _____ Contract No. Idm-E426

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot			14,885.00	458	32.50		
Crosscutting	Foot			455.00	14	32.50		
Raising	Foot	942.50	29	942.50	29	32.50		
Shafts								
Winzes								
Drilling: ~~Core~~ Underground	Foot			3,016.00	754	4.00		
~~Cuttings~~ Surface	Foot			2,007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	165.00	33	1,220.00	244	5.00		
TOTAL DISTRIBUTED COSTS		1,107.50	62	22,525.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1107.50		24,775.50				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date August 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

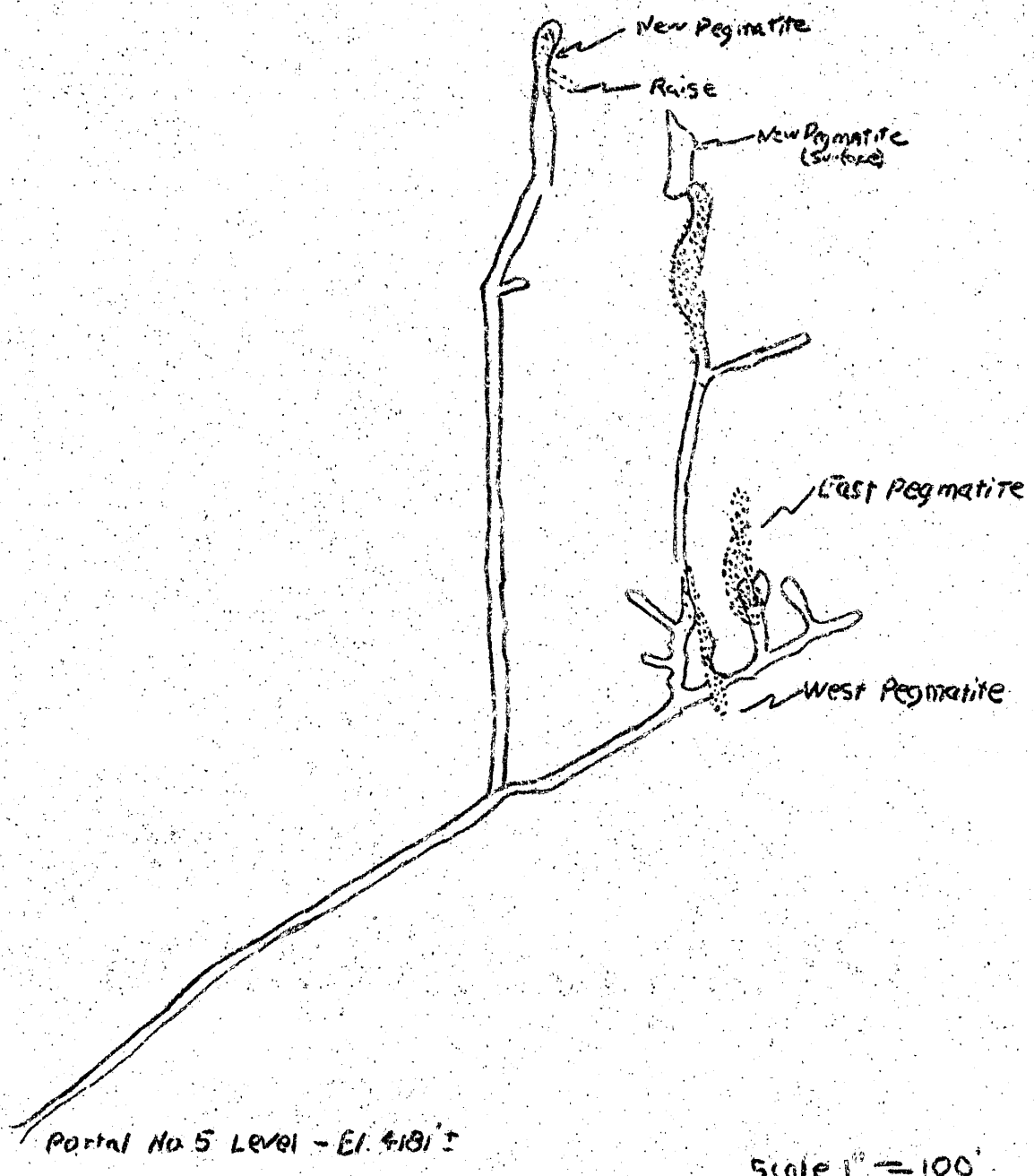
GPO 83-38475

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Contract No. Idm-E426
August 4, 1953

A cribbed raise was started on the New Pegmatite at the point indicated on the map. To date it has been driven 29 feet. A sufficient quantity of strategic mica has not yet been encountered. The raise will be continued to the fifty foot point and a drift will then be driven along the pegmatite to explore for mica in its other portions.

D.M.E.A. Docket No. 2607
(Mica)



Scale 1" = 100'

Idaho Beryllium Corp. Muscovite Mine - Latah County, Idaho.

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1953 Docket No. DMEA Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $28,700.00 Government Participation: 90 % Amount, $25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond-Surface		2,007.00	2,007.00			
~~Burning~~ Timbering 22 ft	110.00	945.00	1,055.00			
Crosscutting 14 ft.	455.00		455.00			
Drifting 35 1/2 ft.	1,153.75	13,731.25	14,885.00			
Diamond Drilling Underground		3,016.00	3,016.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2,250.00	2,250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,718.75	21,949.25	23,668.00	1718.75	21949.25	23668.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date July 7, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1546.88

Signature (Authorized Certifying Officer)

Date 7/19/53 Vou. No. 819

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Engr Date 7/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr Date 7/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-106A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA _____ Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	1,153.75	35½	14,885.00	458	32.50		
Crosscutting	Foot	455.00	14	455.00	14	32.50		
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ ~~Underground~~ ~~Dot~~				3,016.00	754	4.00		
~~Churn~~ ~~Surface~~	Foot			2,007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	110.00	22	1,055.00	211	5.00		
TOTAL DISTRIBUTED COSTS		1,718.75	71½	21,418.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1,718.75		23,668.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date July 7, 1953 Operator Idaho Beryllium & Mica Corp.
Per John A. Carver Jr. Title Secretary
John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

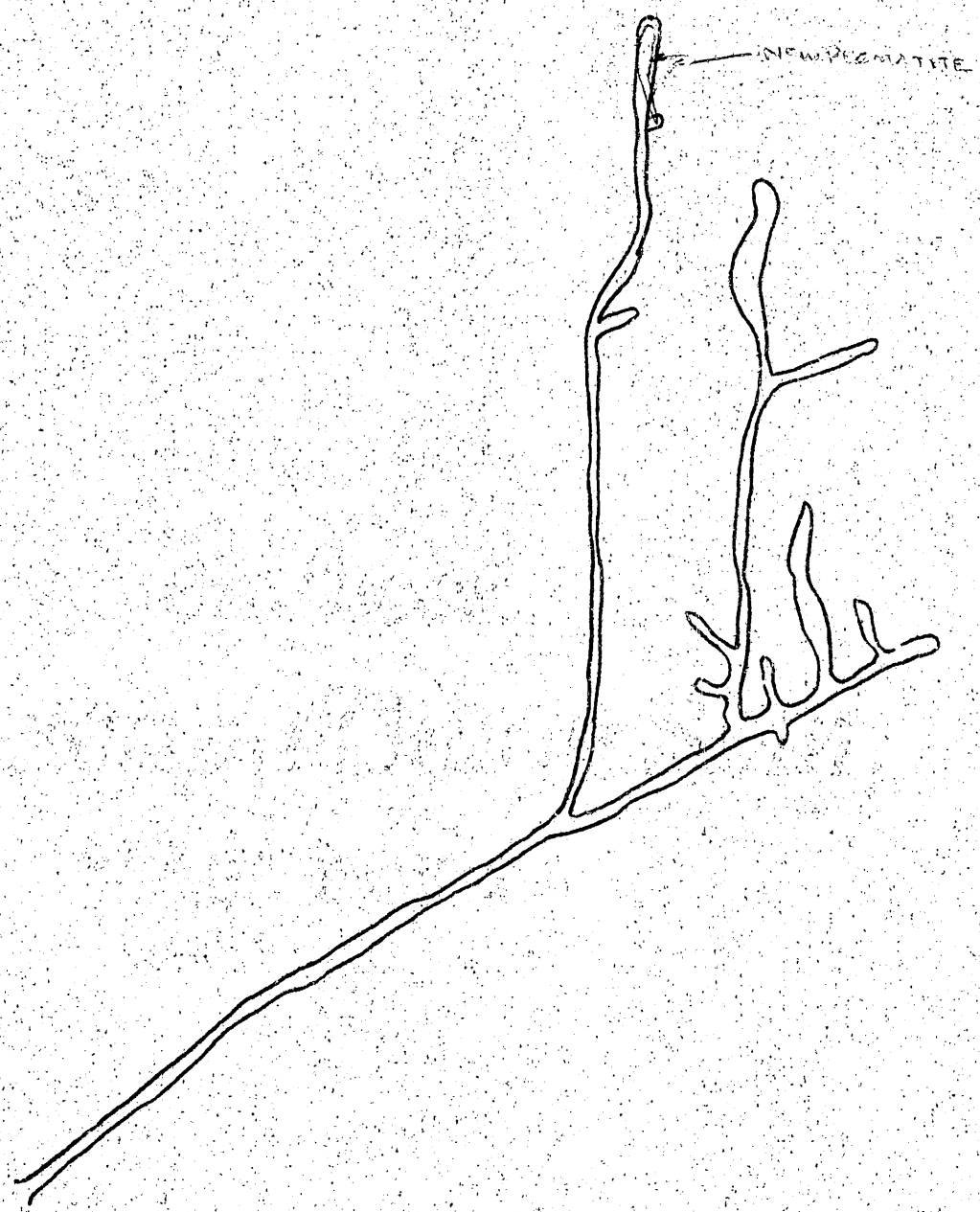
GPO 83-38475

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
July 7, 1953
Contract No. Idm-E426

Drifting was continued along the New Pegmatite to its northern limit. Two crosscuts were made but no strategic mica was encountered. The New Pegmatite at the No. 5 level was 41 feet long and averaged 5 to 7 feet in width. Some mica was found, but it was badly cracked and waved.

D.M.E.A. Docket No. 2607
(Mica)



Scale 1" = 100'

IDAHO BERYLLIUM & MICA CORP. MUSCOVITE MINE LATAH COUNTY, IDAHO

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1953 Docket No. DMEA _____ Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90% Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond-Surface		2007.00	2007.00			
Bulldozing						
~~Crosscutting~~ Timbering 53 ft.	265.00	680.00	945.00			
Drifting 120 1/2 ft.	3916.25	9815.00	13731.25			
Diamond Drilling Underground		3016.00	3016.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4,181.25	17,768.00	21,949.25	4185.25 I am	17768.00	21949.25

I certify that the above bill is correct and just and that payment therefor has not been received.

Date June 3, 1953 *Payee ~~Idaho Beryllium & Mica Corporation~~

Per John A. Carver Jr. Title Secretary
John A. Carver, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$3763.13

Signature _____ (Authorized Certifying Officer)

Date 6/15/53 Vou. No. 785

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 426 in accordance with the terms of the contract.

Signature S/ W. Anderson Title Mn. Eng. Date 6/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ C. E. Howard Title Mn. Eng. Date 6/11/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA _____ Contract No. Idm-E426

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	3916.25	120½	13731.25	422½	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~XXX~~ Underground	Foot			3016.00	754	4.00		
~~XXXX~~ Surface	Foot			2007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	265.00	53	945.00	189	5.00		
TOTAL DISTRIBUTED COSTS		4181.25		19,699.25				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		4181.25		21,949.25				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date June 3, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

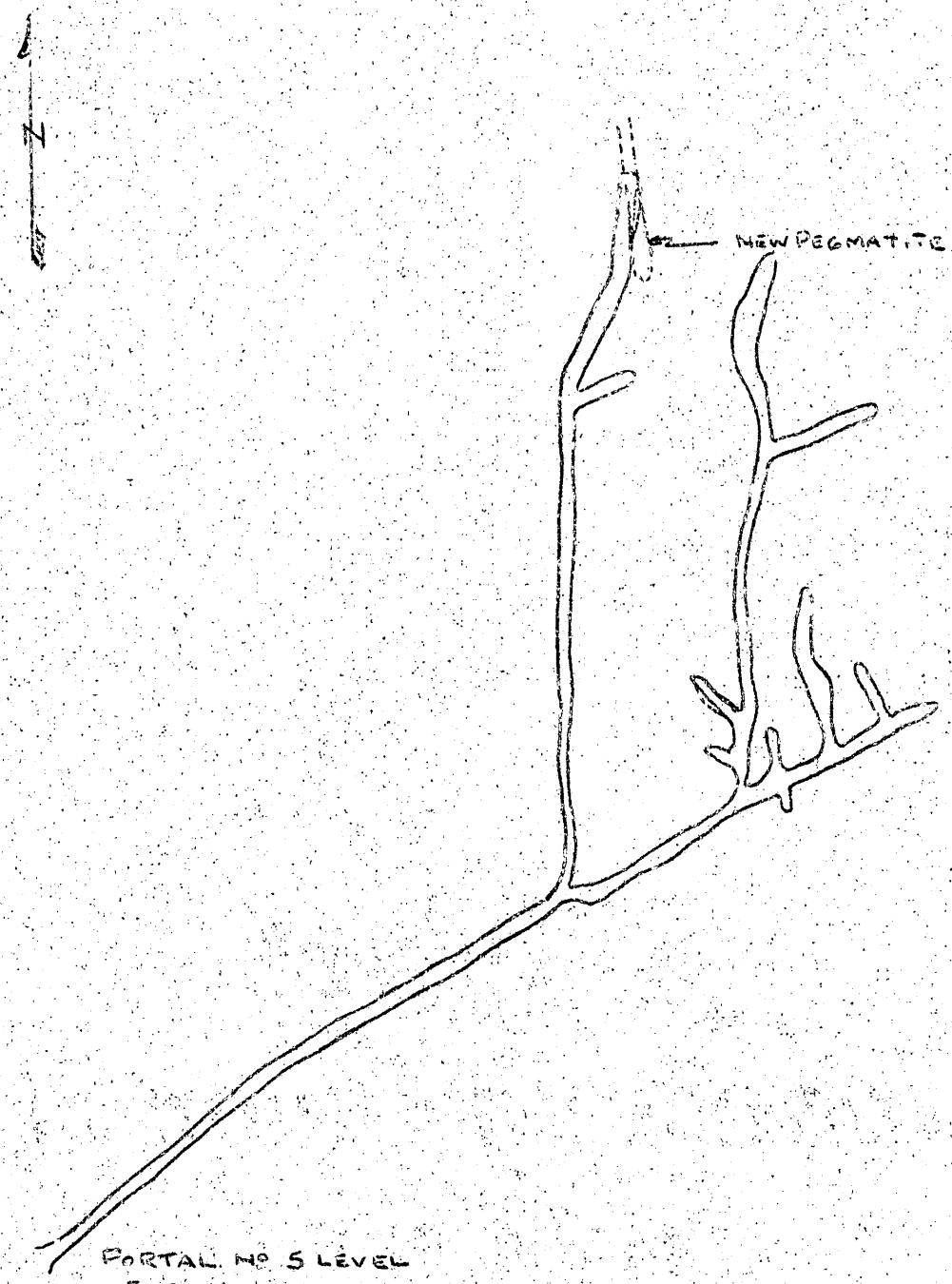
NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Contract No. Idm-E426

June 3, 1953

The DMEA drift was extended 69 feet at a bearing of N 24° E to investigate the downward extension indicated by surface diamond drilling. The new Pegmatite was contacted a few feet north of this point and has been drifted on over a length of fifty feet. Some mica books of good size were encountered but none of strategic grade have been found to date. The pegmatite has ranged from 18 inches to 2 feet and will be followed along its strike. Crosscuts will be made, as soon as the length has been established, to investigate possible adjoining bodies on the footwall side. The footwall side of the alteration zone has not yet been encountered.

D.M.E.A. DOCKET No. 2607
(MICA)



Scale 1" = 100'

IDAHO BERYLLIUM & MICA CORP. MUSCOVITE MINE LATAH COUNTY, IDAHO

Form MF-104 (Rev.)
(April 1952)

W

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1083.3.
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
MAY 15 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1953 Docket No. DMEA _____ Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90% Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Development~~ Short Form Contracts:						
Drilling Diamond, Surface 446 Ft.	2007.00		2007.00			
Bulldozing						
~~Crosscutting~~ Timbering		680.00	680.00			
Drifting		9815.00	9815.00			
Underground Drilling, Diamond 449 ft.	1796.00	1220.00	3016.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3803.00	13,965.00	17,768.00	3803.00	13965.00	17,768.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date May 5, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary
John A. Carver, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 3422.70

Signature _____ (Authorized Certifying Officer)

Date 5/7/53 Vou. No. 7551
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /s/ Webster S. Anderson Title Mining Engr Date 5/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr Date 5/5/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-164A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot			9815.00	302	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core Underground	Foot	1796.00	449	3016.00	754	4.00		
~~Churn~~ Surface	Foot	2007.00	446	2007.00	446	4.50		
~~Auger~~			895		1200			
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot			680.00	136	5.00		
TOTAL DISTRIBUTED COSTS		3803.00		15,518.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		3803.00		17,768.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date May 5, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary
John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Idm E-426
May 5, 1953

Hole No. 3U 23-78, 55 Feet, Dip: plus 45° Bearing S 76° W. Hole No. 3U was drilled to determine if the New Pegmatite flattened in its downward extension. No contact was made.

Hole No. 4U, Depth 140.5, Dip: -50°, Bearing: Due East. Hole No. 4U was to explore for the downward extention of the East and West Pegmatites below No. 5 level. The East Pegmatite was contacted at 129.7 feet and had a width of 14 inches. Sheet mica was found in the pegmatite core.

Hole No. 6U, Depth 130 feet, Dip: -33°, Bearing: Due East. Hole No. 6U was drilled to see if there was a greater width of pegmatite at a shallower depth than Hole No. 4. The West Pegmatite was contacted at 108.5 feet and had a width of 7 inches. Sheet mica was recovered in the core. The East Pegmatite was contacted at 127.0 feet and had a width of 17 inches. Sheet mica was recovered in the core.

Hole No. 7U, Depth 140 feet, Dip: -30°, Bearing: N 79° E. Hole No. 7U was drilled to find the extension of the East and West Pegmatites. The West Pegmatite was contacted at 107.5 feet and had a width of 12 inches. Sheet mica was recovered in the core. The East Pegmatite was contacted at 126 feet and had a width of 5 feet. Sheet mica was recovered in the core from the hanging wall and foot wall.

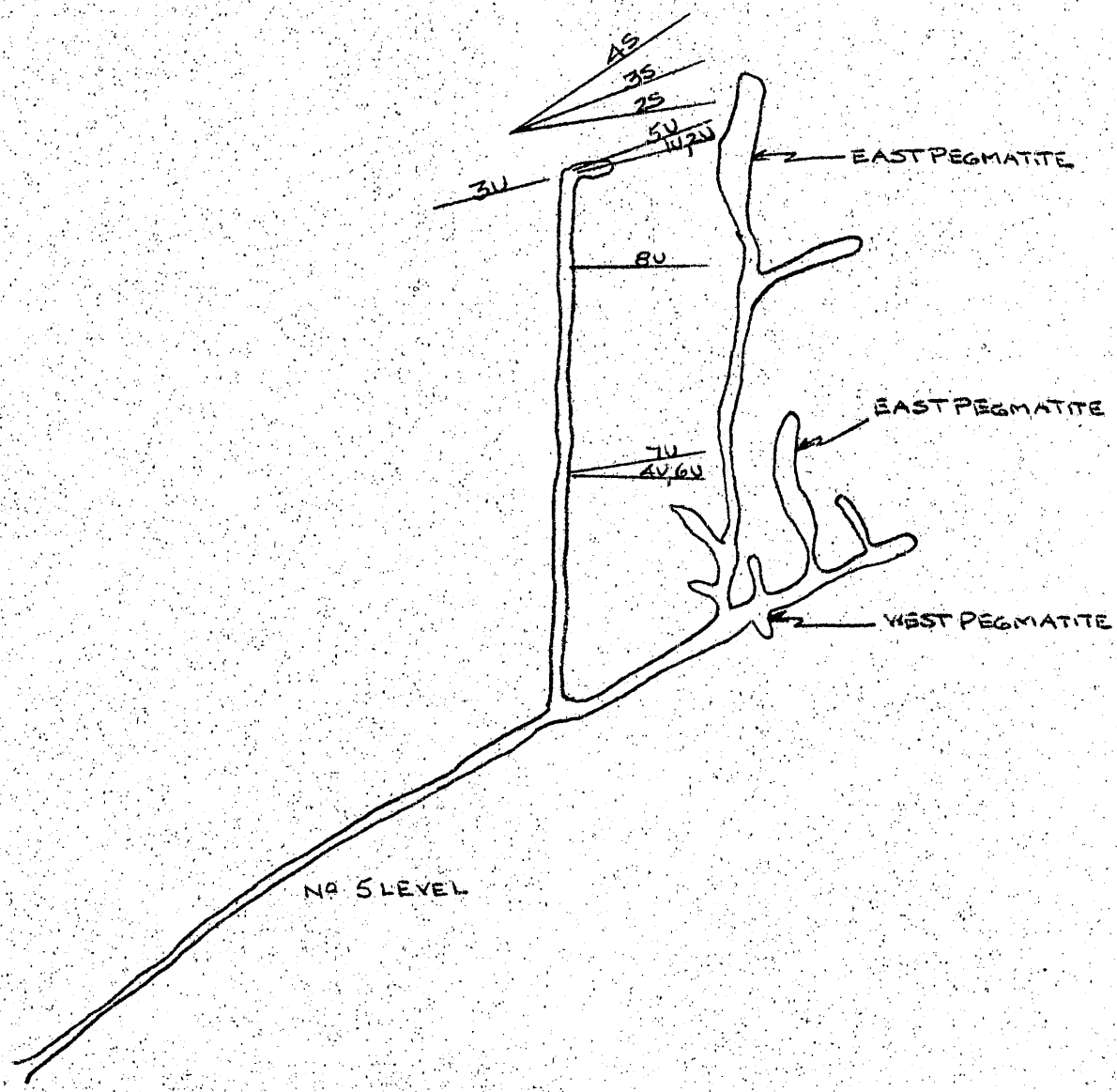
Hole No. 8U, Depth 81 feet, Dip: 0°, Bearing: Due East. Hole No. 8U was to determine if the New Pegmatite raked to the south. No pegmatite was contacted.

Hole No. 2S, Depth 148 feet, Dip: -50°, Bearing: N 80° E. Hole No. 2S was to explore for the downward extension of the New Pegmatite. An alteration zone was encountered at 118 feet through 136.5 feet. No pegmatite was recovered in the core. Core recovery in the alteration zone was 11.5 feet.

Hole No. 3S, Depth 149 feet, Dip: -50°, Bearing N 68° E. Hole No. 3S was drilled to determine if the New Pegmatite had a rake to the North. An alteration zone was contacted at 117 feet through 139 feet. No. pegmatite was recovered. Core recovery in the alteration zone was 7.5 feet.

Hole No. 4S, Depth 149 feet, Dip: -50°, Bearing: N 55° E. Hole No. 4S was drilled to determine the rake of the New Pegmatite. New Pegmatite was contacted at 132 feet. Core recovery was so poor that thickness could not be determined. Sludge showed small mica flakes.

D.M.E.A. Docket No. 2607
(MICA)



Scale 1" = 100'

IDAHO BERYLLIUM AND MICA CORP. – MUSCOVITE MINE LATAH COUNTY, IDAHO

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 195 3 Docket No. DMEA _____ Contract No. Idm-Pl-26

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

Contract Amount, $ 23,700.00 Government Participation: 90% Amount, $ 25,030.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drilling Diamond 305 ft.	1220.00	None	1220.00			
Bulldozing						
Crosscutting						
Drifting 14 ft.	455.00	9360.00	9815.00			
Timbering		680.00	680.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1675.00	12,290.00	13,965.00	1675.00	12,290.00	13,965.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date April 6, 1953 Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.--Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1507.50

Signature _____ (Authorized Certifying Officer)

Date 4/19/53 Vou. No. 724

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 426 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 4/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 4/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
APR 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA _____ Contract No. Idm-E126

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	455.00	14	9815.00	302	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Foot	1220.00	305	1220.00	305	4.00		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot			680.00	136	5.00		
TOTAL DISTRIBUTED COSTS		1675.00	319	11,715.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1675.00		13,965.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date April 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

IDAHO BERYLLIUM & MICA CORPORATION

NARRATIVE REPORT

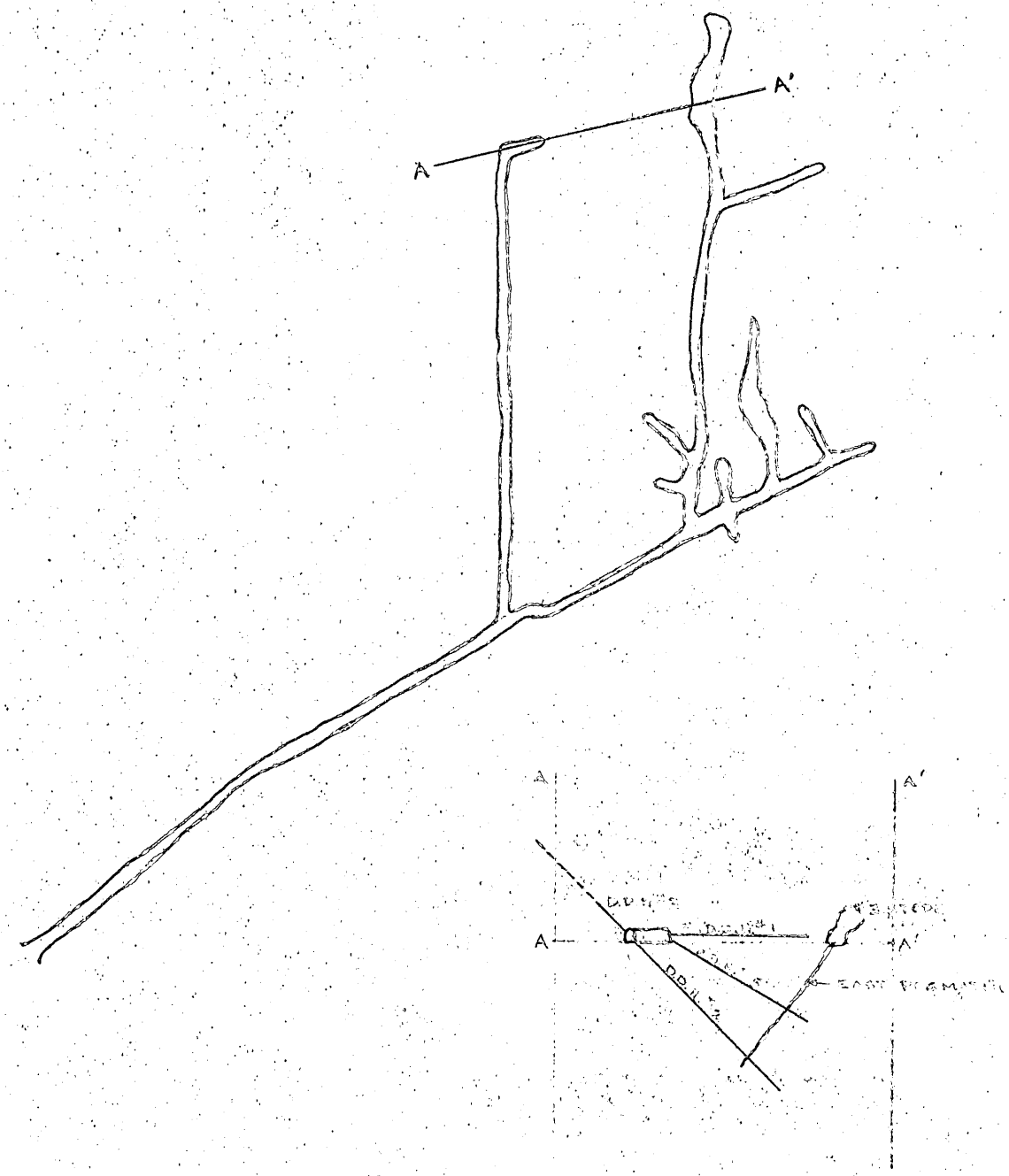
Month of March, 1953
Contract No. Idm-E426

The Crosscut was extended 14 feet to determine if the new pegmatite was to the east of the main drift.

Two diamond drill holes were then put out to explore to the east and to the west of the drift. Hole number 1U had a bearing of N76°E and a dip of 0°. It extended 80 feet to the east. No pegmatite was encountered. Hole number 3U had a bearing of S76°W, a dip of plus 45° and was 23 feet in depth, and was not completed by 3-31-53. No pegmatite was encountered.

Two holes were put down under the old number 3 stope to explore the downward extention of the East Pegmatite. Contact was made at 92 feet in hole number 2U bearing N76°E, dip-45° depth 110 feet. Hole number 5U bearing N68°E, dip-30°, depth 92 feet was put down under the East Pegmatite and contact was made at 79 feet.

D.M.G.A. DOCKET No. 5001
'KOCA'



[redacted] (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval Expires 6-30-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1953 Docket No. DMEA Contract No. Idm-R-26
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 107 Feet	3477.50	5882.50	9360.00	3477.50	5882.50	9360.00
Timboring 106 Feet	530.00	150.00	680.00	530.00	150.00	680.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4007.50	8282.50	12,290.00	4007.50	8282.50	12290.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date March 1, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carr, Jr. Title Secretary

John A. Carr, Jr. Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
3606.75

$3606.75

Signature [illegible]
(Authorized Certifying Officer)

Date 3/9/53 Vou. No. 685
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 426 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 3/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 3/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-33476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA _____ Contract No. Idm-R126

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	3477.50	107	9360.00	288	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	530.00	106	680.00	136	5.00		
TOTAL DISTRIBUTED COSTS		4,007.50	213	10,040.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		4,007.50		12,290.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date March 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver Jr. Title Secretary

John A. Carver, Jr. Secretary

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS:

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

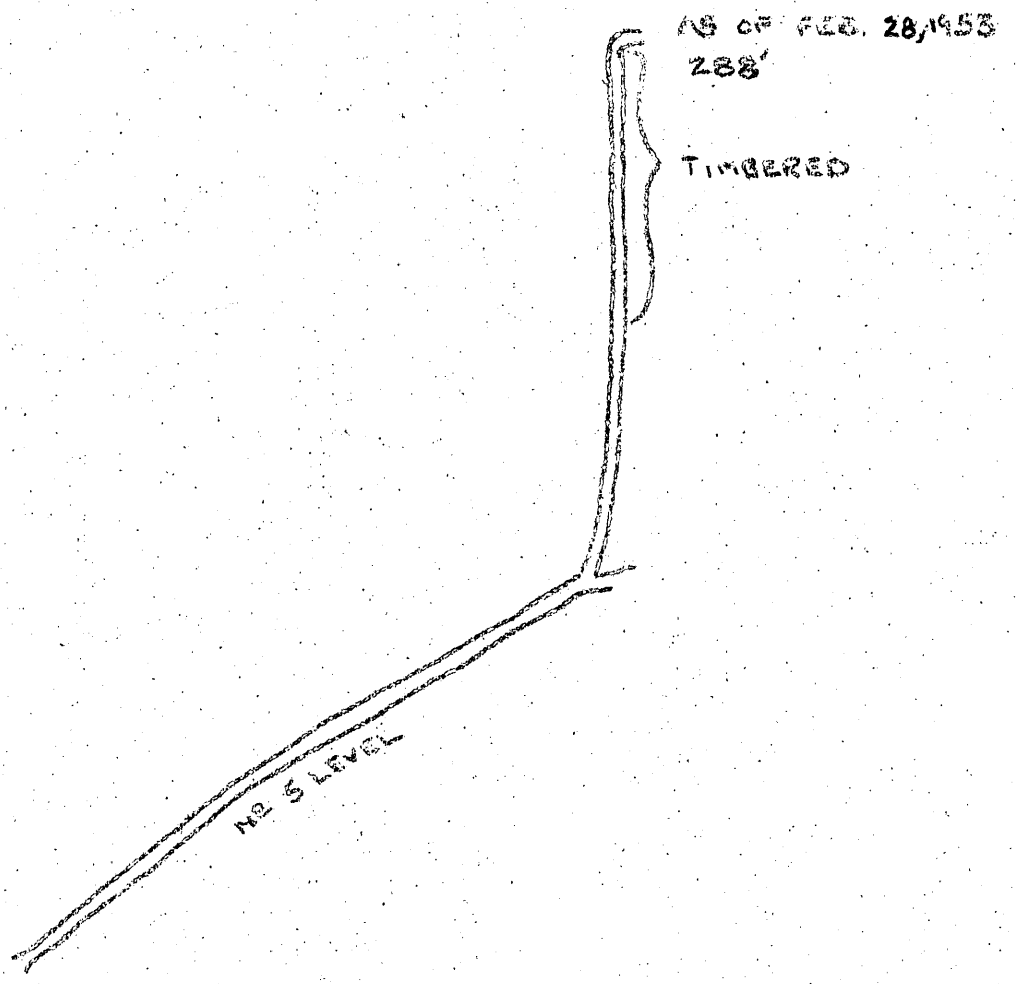
NARRATIVE REPORT

Month of February 1953

Contract No. Idm-E,26

The drift has been extended to the 275 foot point and a crosscut to the East has been started. Faulting was encountered beyond the 160 foot point requiring timber to the 275 foot point where the crosscut was started to intersect the vein. No indications of the pegmatite have been found to date.

D.M.E.A. DOCKET No 2607
(MICA)



Form MF-104 (Rev.)
(April 1952)

600

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Dm Ea 2607

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1953 Docket No. DMEA Contract No. Idm-E-26
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P.O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~XXXXXXXX~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 181 feet	5882.50	None	5882.50	5882.50	—	5882.50
Timbering 30 feet	150.00	None	150.00	150.00	—	150.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs				300.00	2550.00	2250.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6,032.50	None	6,032.50	5732.50	2550.00	8282.50

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Feb. 4, 1953 *Payee John A. Carver Jr. Idaho Beryllium & Mica Corp.

Per John A. Carver Jr. Title Secretary
John A. Carver, Jr. Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

5159.25

$ 5159.25

Signature [signature]
(Authorized Certifying Officer)

Date 2/10/53 Vou. No. 653
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E4-2-6 in accordance with the terms of the contract.

Signature /s/ Webster S. Anderson Title Mining Engr. Date 2/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr. Date 2/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1953 Docket No. DMEA _____ Contract No. Idm-1426

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P.O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	5882.50	181	5882.50	181	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	150.00	30	150.00	30	5.00		
TOTAL DISTRIBUTED COSTS		6,032.50	211	6,032.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,550.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		6,032.50		8,582.50				8,582.50

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date Feb. 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver Jr. Title Secretary

John A. Carver, Jr. Secretary

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

EXHIBIT "A"

IDAHO BERYLLIUM AND MICA CORPORATION

January 31, 1953

On original Form MF-104 and MF104A for the month of November 1952 Rehabiliation and repairs to existing adit on No. 5 level was in error as follows:

Next 250 feet @$5.00/ft	$1250.00 should have been:
Next 190 feet @$5.00/ft	$ 950.00
	$ 300.00

This $300.00 less 10% was drawn in excess and should be deducted from this application for payment.

Orville J. Slette
Office Manager

EXHIBIT "A"

IDAHO BERYLLIUM & MICA CORPORATION

Contract No. Idm-E426 January 31, 1952

" NARRATIVE REPORT "

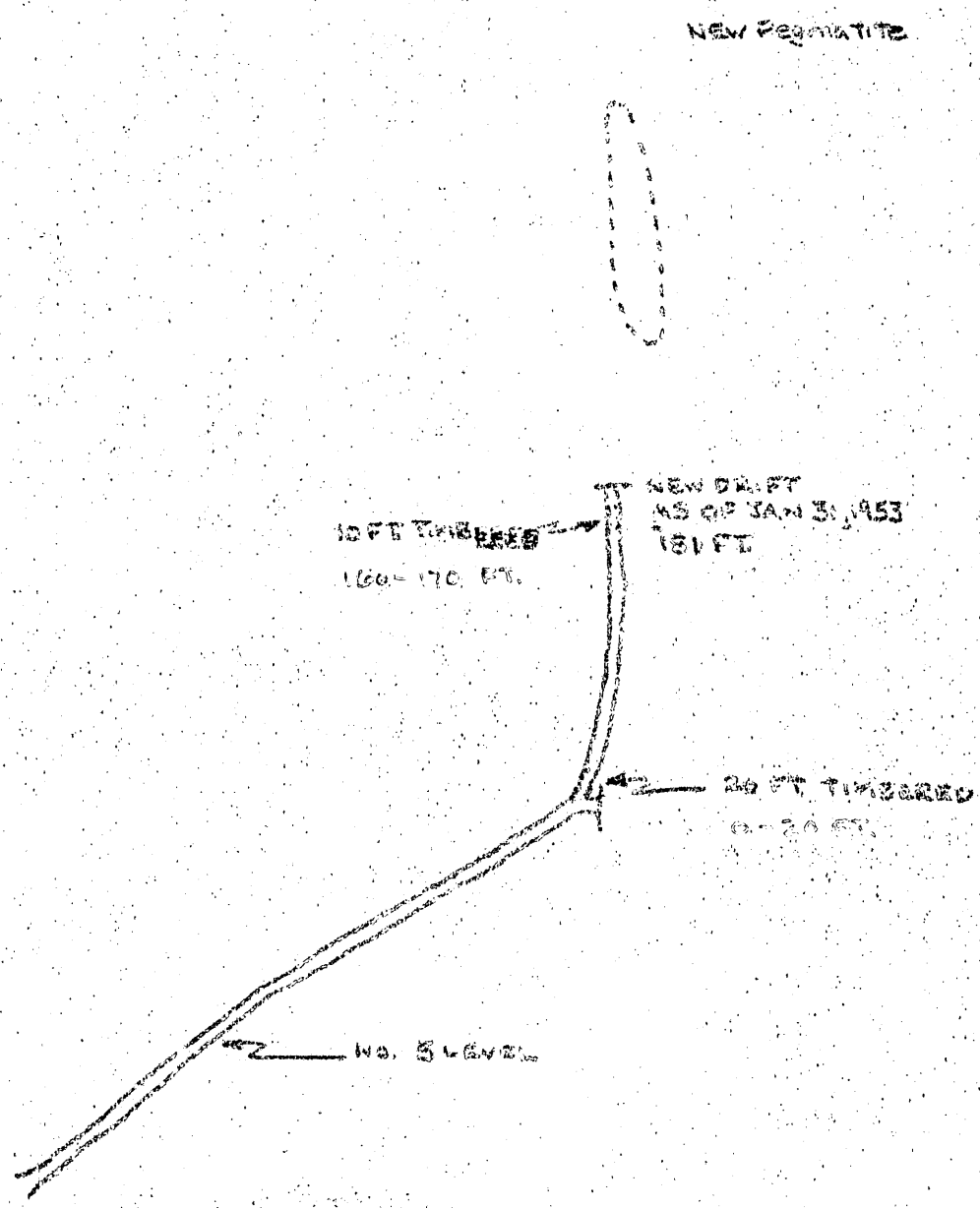
Progress on the new drift has proceeded to the one hundred eighty one feet (181) point.

The first fourteen feet (14) were done by days pay and the remaining one hundred sixty seven feet (167) by contract.

At the offset a fault was encountered which necessitated the timbering of the first twenty feet (20) of the drift. At the one hundred sixty foot (160) point two faults were encountered that crossed the bedding and foliation planes necessitating the ten feet (10) of timbering to the one hundred seventy foot (170) point.

Timbering will have to be advanced from this point at least three more sets or until the faulted area can be bypassed.

D.M.E.R. Docket No. 2607
(Mica)



Form MTF-104 (Rev.)
April 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 13 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA _____ Contract No. Idm-1126

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P.O. Box 176, Deary, Idaho

Contract Amount, $28,700.00 Government Participation: 90% Amount, $25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	**$2550.00	None	$2550.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
**See attached exhibit						
(8) Contingencies (specify):						
TOTALS	$2550.00	None	$2550.00	2550.00		2550.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Dec. 5, 1952 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

*When a voucher is signed on behalf of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ ~~2550.00~~ 2295.00

Signature _____ (Authorized Certifying Officer)

Date 12/12/52 Vou. No. _____

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 426 in accordance with the terms of the contract.

Signature /S/ E. A. Mizell Title Min Engr Date 12/10/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Min Engr Date 12/10/52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MP-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 3 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1952 Docket No. DMEA _____ Contract No. Idm-E,26

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P.O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		$2550.00		$2550.00				$2550.00
New Buildings, Improvements, etc.								
TOTAL COSTS		$2550.00		$2550.00				$2550.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Dec. 5, 1952 Operator Idaho Beryllium & Mica Corp

Per John A. Carver Jr. Title Secretary

John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS: Initial rehabilitation and repairs to existing adit completed as follows:

First 50 feet @$12.50/ft $ 625.00
Next 90 feet @$ 7.50/ft $ 675.00
Next 250 feet @$ 5.00/ft $1250.00
TOTAL $2550.00

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE OF PROGRESS

Work on rehabilitation and repairs on existing adit No. 5 level commenced on November 5, 1952.

The initial phase was repairs to the portal and re-timbering of the first fifteen feet.

The next phase was mucking of the adit and the laying of the ties and track to the point of departure of the present adit, a total of 390 feet.

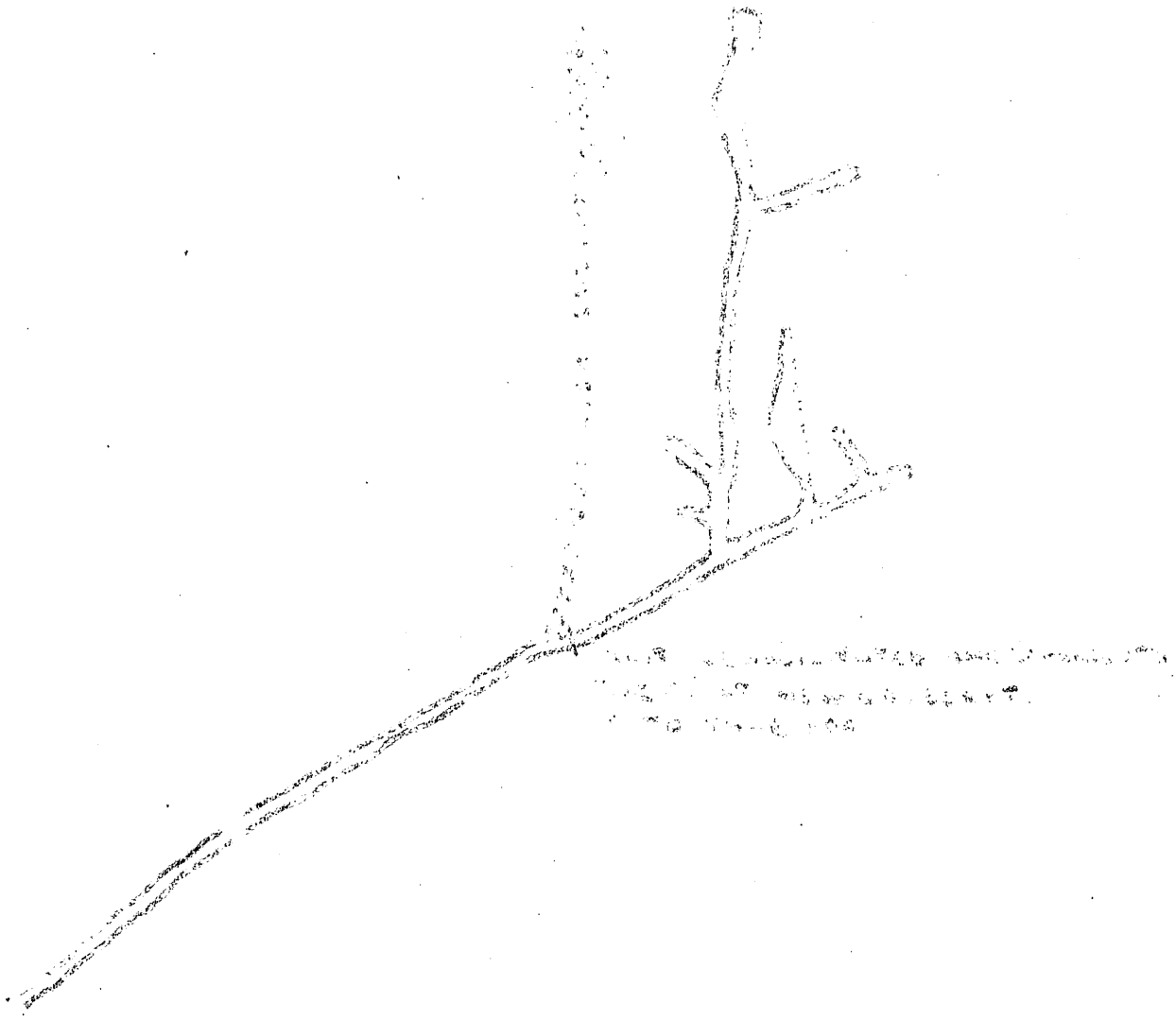
The next phase was the installation of the compressed air line to the point of departure from the present adit.

The next phase was the installation of the blower piping, sump, pump and water line to the point of departure from the present adit.

The next phase was the installation of the blasting circuit and lighting circuit, and installation of powder magazine.

There were no unusual difficulties encountered and the total of 390 feet of rehabilitation and repairs was accomplished satisfactorily.

The initial rehabilitation and repairs was completed November 29, 1952.



MAR 20 1963

Mr. John F. Brady
President and General Manager
Ida Mica Industrial Minerals, Inc.
108 E. Third Street
P. O. Box 72
Moscow, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Moscowite Mine
Latah County, Idaho
Contract Ida-2426

Dear Mr. Brady:

Thank you for returning the completed MMS Form 63's forwarded with Mr. Griswold's letter of January 25, 1963.

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated January 12, 1954, all minerals mined or produced from October 27, 1952, to October 27, 1962, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

Sincerely yours,

George Fumich, Jr.

Director

MMMurphy/cm
3/20/63

cc: Director's Reading File
Region (I) (X)
✓CAAA Division
Docket
Code 300

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

GOVERNMENT COPY

630

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Idaho Beryllium and Mica Corporation
P. O. Box 176
Emery, Idaho

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated October 27, 1952 (Docket No. [illegible]), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government certifies and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Surface and underground diamond drilling, drifting, cross-cutting and raising under the contract exposed mica, and sufficient data were developed to calculate reserves of strategic mica.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals
Exploration Administration

Dated: JAN 1 2 1954

LOHook:gnd 1/6/54
Copy to: Mr. Irving Gumbel, RFB,GSA
Mr. Thayer, 5216 GSA Bldg.
Mr. Hodges, 4604
Admr. R. File
Docket File
Field Team, Region II
Operating Committee
Mr. Johnson
Mr. Chambers
Finance Office
Mr. Hook

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

JAN 12 1954

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Gentlemen:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-E426 on the Muscovite Mine, Latah County, Idaho.

By the terms of the Exploration Project Contract and of the Certification, all production from the property, except the exemptions noted in Amendment No. 1, from the date of the Exploration Project Contract, October 27, 1952, is subject to the Government's percentage royalty as set forth in the contract until the sum of $24,299.32 is paid, or until October 27, 1962, whichever occurs first.

Payments should be made to Mr. A. E. Weissenborn, Executive Officer, Defense Minerals Exploration Administration Field Team, Region II, South 157 Howard Street, Spokane 4, Washington. Checks should be drawn to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Weissenborn of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Weissenborn at six-month intervals that no production has been made.

Sincerely yours,

C. O. Mitterdorf

Administrator

Enclosure

LGHouk:gad 1/8/54
Copy to: Admr. R. File
Mr. Johnson
Mr. Hedges, 4604
Mr. Chambers
Mr. Houk
Docket File
Field Team, Region II
Mr. Thayer, 5216 GSA Bldg.
Operating Committee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

JUN - 8 1954

Mr. Irving Gambel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica
Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-2424

Dear Mr. Gambel:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed October 27, 1952, with the Government participating to the extent of 90% of $28,700.00 or $25,830.00.

The project was started on November 1, 1952, and completed August 24, 1953, after the expenditure of $26,999.25 which is the total accepted cost according to the Audit Review. The Government paid 90% of the total accepted cost or $24,299.32.

The work performed on this project consisted of rehabilitating adit No. 5, exploring the area below the No. 5 adit by diamond drilling, and drifting and crosscutting to explore for extensions of the "New Pegmatite" on the No. 5 level. The Field Team reports that 54,860 pounds of hand-cobbed mica has been produced from the stope which has been developed from the DMEA workings. Sufficient data were developed to calculate reserves of strategic mica.

The DMEA is of the opinion that the work was of definite benefit to the property and, therefore, we have certified that a discovery or development resulted from the work performed.

Sincerely yours,

C. O. Mittenderf

Administrator

Enclosure

LGHook:gad 6/2/54

Copy to: Adm. L. File
Docket File
Region II
Operating Committee
Mr. Hook
Mr. Rodgers, 4404
Mr. Thayer, 5216 GSA Bldg.
Mr. Chambers
Mr. Johnson

Defense Minerals Administration
RECEIVED
AUG 3 1953

Government Copy

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

AMENDMENT NO. 4

It is agreed this 10th day of July, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Idaho Beryllium and Mica Corporation, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E426, Docket No. DMEA-2607, dated October 27, 1952, as amended, between the parties hereto, be further modified and amended as of June 17, 1953, as follows:

1. (a) Under the heading "Description of the Work," in lieu of the second and third sentences in the second paragraph which read:

> Drift on the "New Pegmatite" and explore it by crosscuts. Where necessary, new headings shall be timbered for a length not to exceed 250 feet.

substitute the following:

> Explore the New Pegmatite by approximately 472 feet of drifts and crosscuts, and if no strategic mica is then found on the 500 level, raise to the strategic mica zone, and then explore this zone by drifting and crosscutting. Where necessary, new headings shall be timbered for a length not to exceed 211 feet.

(b) Under the heading "Agreed Estimated Costs of the Project," change the last two headings referring to driving, crosscutting, and timbering, to read as follows:

Drifting, raising, and cross-cutting 606 feet @ $32.50/ft.	$19,695.00
Timbering new headings 211 feet @ $5.00/ft. 1/	1,055.00

2. Annex II attached hereto and made a part hereof is substituted for that part of Article 6(a) of the contract form preceding the colon.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor any agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O P Mittendorf
Administrator, Defense Minerals
Exploration Administration

IDAHO BERYLLIUM AND MICA CORPORATION

By John A. Carr, Jr.
Secretary

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 3 1953

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

ANNEX II

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account required by the exploration project contract, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land except the area exempt in Amendment No. 1 which is the subject of the exploration project contract, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(Amendment to Change Starting and/or Completion Dates) GOVERNMENT COPY

AMENDMENT NO. 3

It is agreed this 1st day of June 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Idaho Beryllium and Mica Corporation, a Corporation duly organized and existing under and by virtue of the laws of the State of Idaho, P. O. Box 176, Deary, Idaho each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E426 dated October 27, 1952 between the parties hereto be modified and amended to change the starting date from ------- (No. of days) to within ------- (No. of days) of the date of the contract and the completion period from 6 (No. of months) to 10 (No. of months) from the date of the contract. The effective date of this amendment shall be April 27, 1953.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum".

Executed in sextuplicate the day and year first above written.

IDAHO BERYLLIUM AND MICA CORPORATION
(Operator)

By John R. Carr Jr.
Secretary

THE UNITED STATES OF AMERICA

By A. E. Weissenborn
A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II

Contract Idm-E426
Idaho Beryllium and Mica Corporation
Latah County, Idaho
Docket No. DMEA-2607X (Mica)

JUSTIFICATION FOR AMENDMENT NO. 3

It is necessary to allow this amendment to extend the completion date of the contract to give the operators sufficient time in which to complete the project. Work has progressed steadily without recess from the beginning date of the contract. Encouraging progress has been made but at the time of the original completion date of the contract, considerable work had been unfinished, and the target of the exploration had not been reached. The four months extension as provided by this amendment will allow the operators sufficient time to complete satisfactorily the work as outlined in the contract.

GOVERNMENT'S COPY

AMENDMENT NO. 2

It is agreed this 13th day of March 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and

Idaho Beryllium and Mica Corporation

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 426 of October 27, 1952 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be March 13, 1953.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum."

Executed in sextuplicate the day and year first above written.

IDAHO BERYLLIUM & MICA CORPORATION
(Operator)

By John A. Carr Jr.
Secretary

THE UNITED STATES OF AMERICA

By A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

Idaho Beryllium and Mica Corporation
Exploration Project Contract

Amendment No. 2

Exhibit "F"

The 500 level drift has been driven to the projected position of the "New Pegmatite" and has failed to intersect it. In order to further explore for it in the most economical manner it is necessary to amend Exhibit "A" of the contract as follows:

1. Change the description of the work, paragraph 1 to read:

"Diamond drill from a station or stations in the Number 5 level drift as indicated on the attached map to explore for the New Pegmatite above or below the No. 5 level. If further diamond drilling is required to locate or delineate the pegmatite, this may be done but only with the specific approval of the Field Team as to the location of holes. Additional drilling to explore for the downward extensions of the "East Pegmatite", "West Pegmatite" and "Central Pegmatite" may be done from the No. 5 level from stations indicated on the attached map or from the surface as indicated on the contract map, subject to the approval of the Field Team. Total drilling shall not exceed 1,200 feet. All holes are to be drilled with BX or AX size bit."

2. Under Agreed Estimated Costs of the Project change the first item to read:

"1,200 feet of diamond drilling @ $4.50 a/ $5,400.00

a/ Agreed estimated cost of surface drilling. The agreed estimated cost of drilling performed from underground stations is $4.00 per foot."

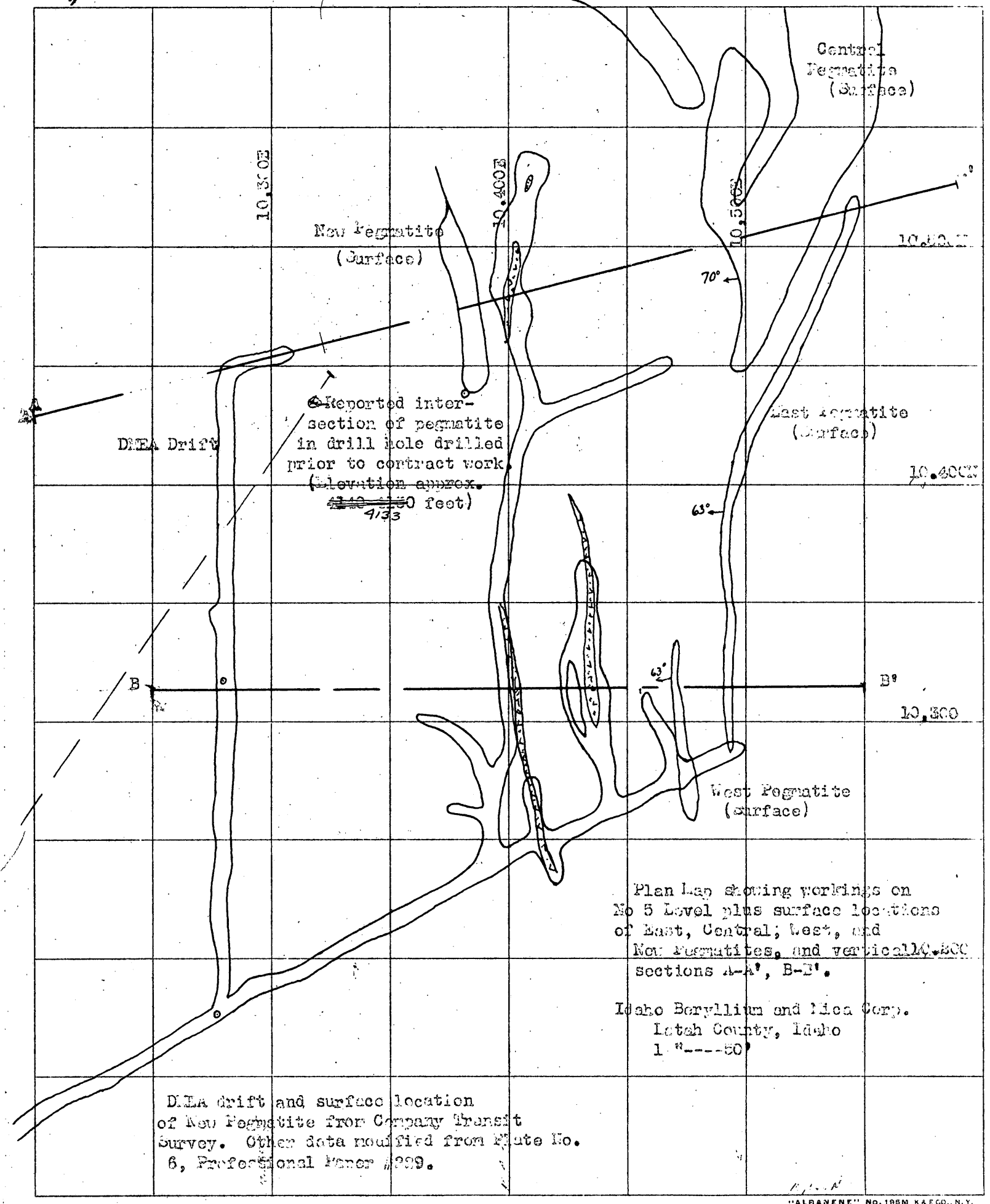
Idaho Beryllium and Mica Corporation

Latah County, Idaho

Justification for Amendment No. 2

Drifting and crosscutting on the No. 5 level has failed to intersect the "New" pegmatite at its projected downward extension. Consequently, diamond drilling is to be done from stations in the DMEA drift to explore for the "New" pegmatite both above and below the No. 5 level, and to explore for downward extensions of the "West," "Central," and "East" pegmatites below the No. 5 level. The "New" pegmatite can be explored for more cheaply by diamond drilling than by continued drifting and crosscutting. The downward projection of the "West," "Central," and "East" pegmatites can be reached from stations on the No. 5 level with much shorter holes than those originally planned from surface locations.

Docket No. DMEA #607 (Mica)
Contract No. Ida-[illegible]
Amendment No. 2



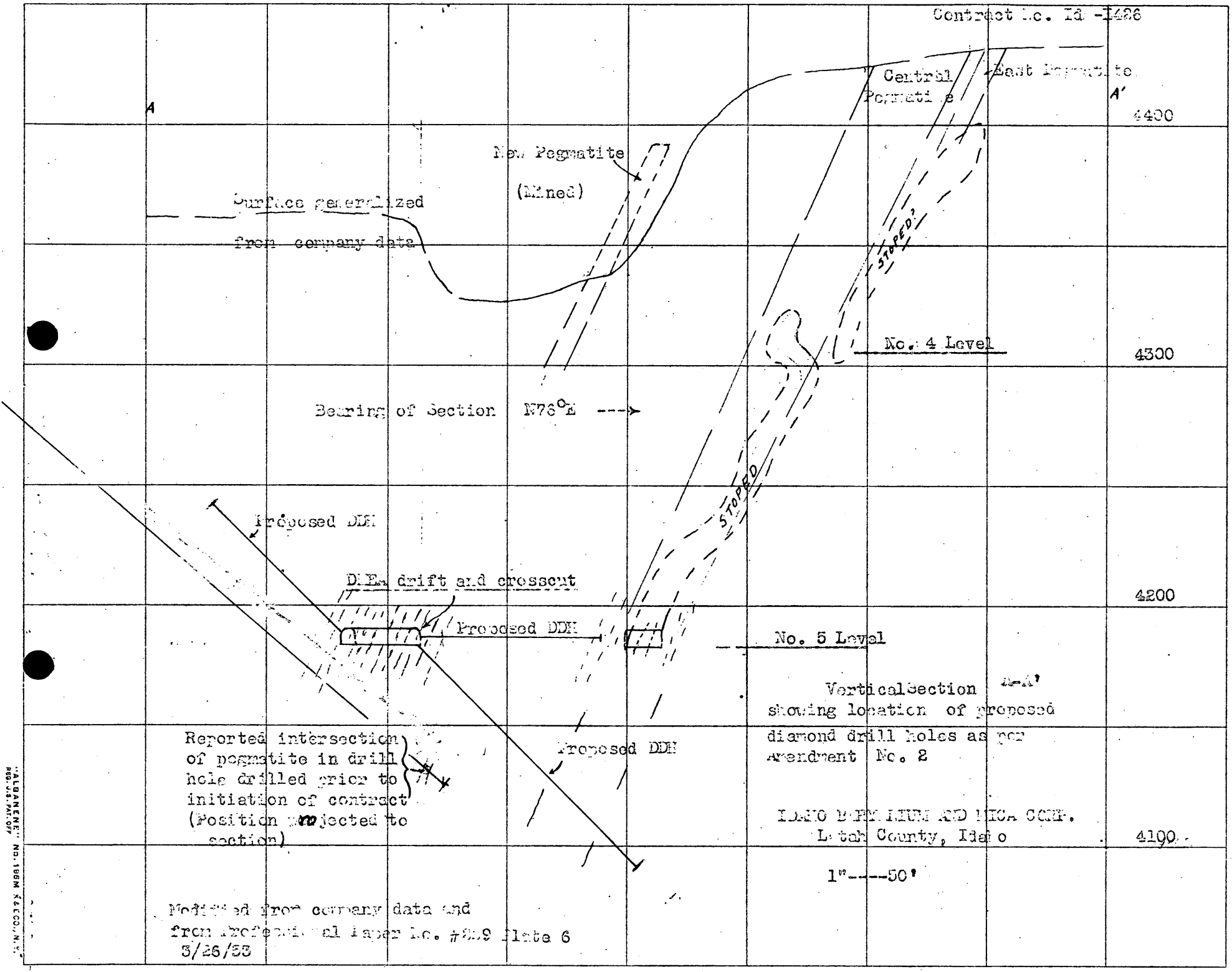
Plan Map showing workings on No 5 Level plus surface locations of East, Central, West, and New Pegmatites, and vertical sections A-A', B-B'.

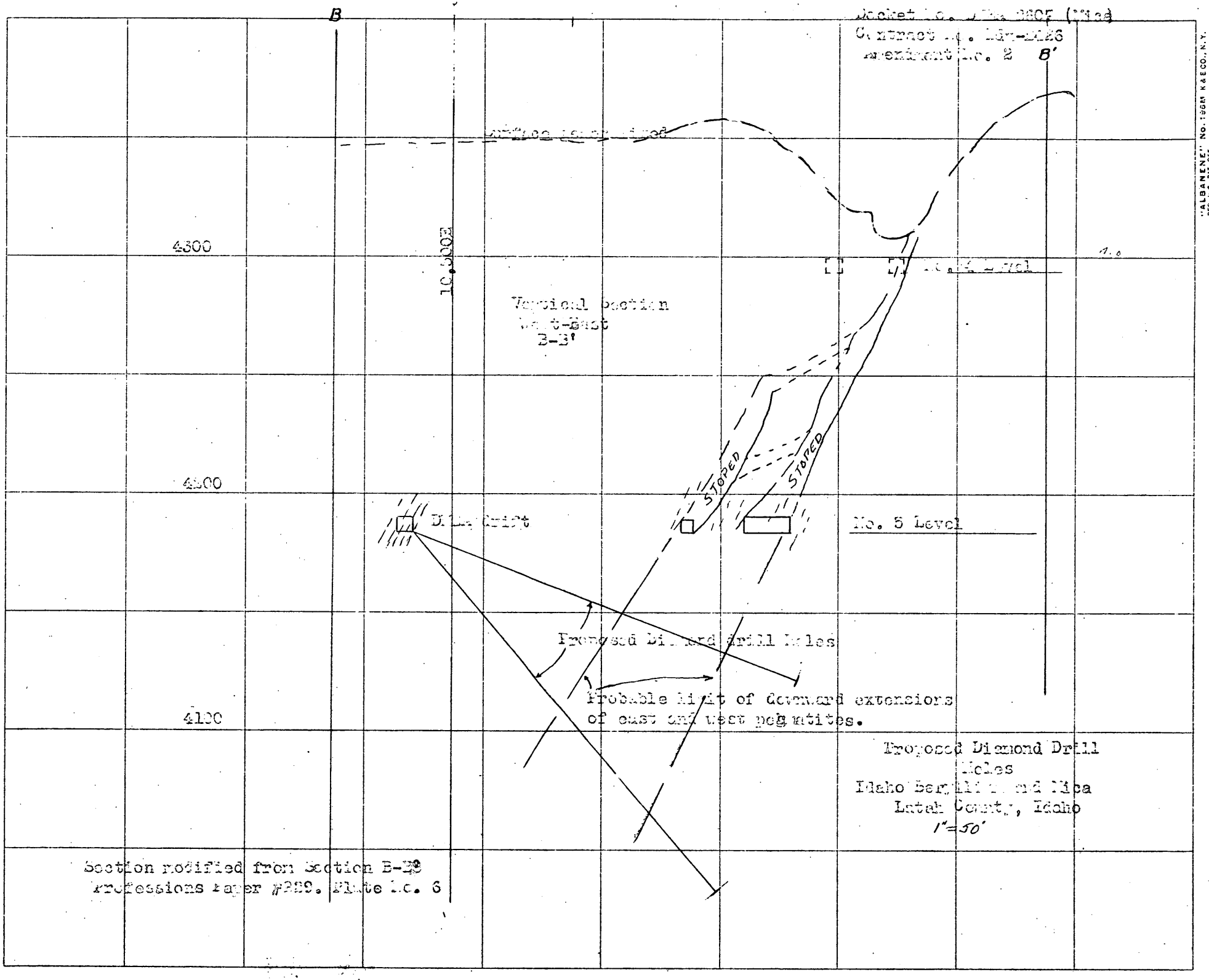
Idaho Beryllium and Mica Corp.
Latah County, Idaho
1"----50'

DMEA drift and surface location of New Pegmatite from Company Transit Survey. Other data modified from Plate No. 6, Professional Paper #299.

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Docket No. DMEA 8607 (Ilca)
Contract No. Id -1426




B
B'
Contract No. Idm-2126
Amendment No. 2
surface level
4300
4200
4100
10,000E
Vertical Section
West-East
B-B'
STOPED
STOPED
No. 5 Level
Proposed Diamond Drill Holes
Probable limit of downward extensions
of east and west pegmatites.
Proposed Diamond Drill
Holes
Idaho Berylliums and Mica
Latah County, Idaho
1"=50'
Section modified from Section B-B
Professions Paper #289. Plate No. 6

Mr. Chambers

MAR 2 1953

F. Johnson/bih 2/20/53
cc to: Docket
Admr. Reading File
Region II
Operating Committee
Messrs. Hedges R-4604
Thayer GSA R-4234
Hoffland - Chambers - Houk - Johnson

Mr. [illegible] Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. MEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Contract No. Ida-5426

Dear Mr. Weissenborn:

Reference is made to your letter of December 8, 1952 transmitting the original and two copies of Amendment No. 1 to the subject contract and to your discussion with Mr. Frank E. Johnson concerning the amendment.

As you were advised, the amendment is not within your authority to execute as fixed by delegation order 2684, and there is no evidence in our files to show consideration or benefit to the Government for agreeing to such an amendment. In this connection there is enclosed a copy of the Chief Counsel's memorandum to the Administrator of December 31, 1952.

In your discussion with Mr. Johnson, it was brought out that apparently there was a misunderstanding with the Operator as to what production would be subject to royalty payments in case of Certification of Discovery or Development, and that the Operator executed the contract under the impression the matter could be rectified by an amendment to the contract excluding production from the open pit operations. It was Mr. Johnson's understanding that you would forward a letter reciting these conditions and furnishing information to justify amending the contract.

In order that we will have justification to amend the contract, it is suggested that you forward, as soon as possible, a letter along the lines discussed with Mr. Johnson and as indicated in the foregoing paragraph. Upon receipt of such a letter the DMEA Legal Division, if the facts justify it, will draft the necessary amendment for execution by the Administrator and the Operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure (1)

J. H. Hedges
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

AMENDMENT NO. 1

It is agreed this 2nd day of December 195 2, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and Idaho Beryllium and Mica Corporation, a corporation duly organized and existing under and by virtue of the laws of the State of Idaho, P. O. Box 176, Deary, Idaho each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 426 of October 27, 195 2 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be October 27, 195 2.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum."

Executed in sextuplicate the day and year first above written.

IDAHO BERYLLIUM AND MICA CORPORATION
(Operator)

By John A. Cann Jr
Secretary

THE UNITED STATES OF AMERICA

By Thor H. Kiilsgaard
Director
DMEA Field Team, Region II
Thor H. Kiilsgaard, Acting Exec. Officer

5

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 12 1952

Idaho Beryllium and Mica Corporation
Exploration Project Contract Idm-E426

Amendment No. 1

Exhibit "F"

Changes and Modifications

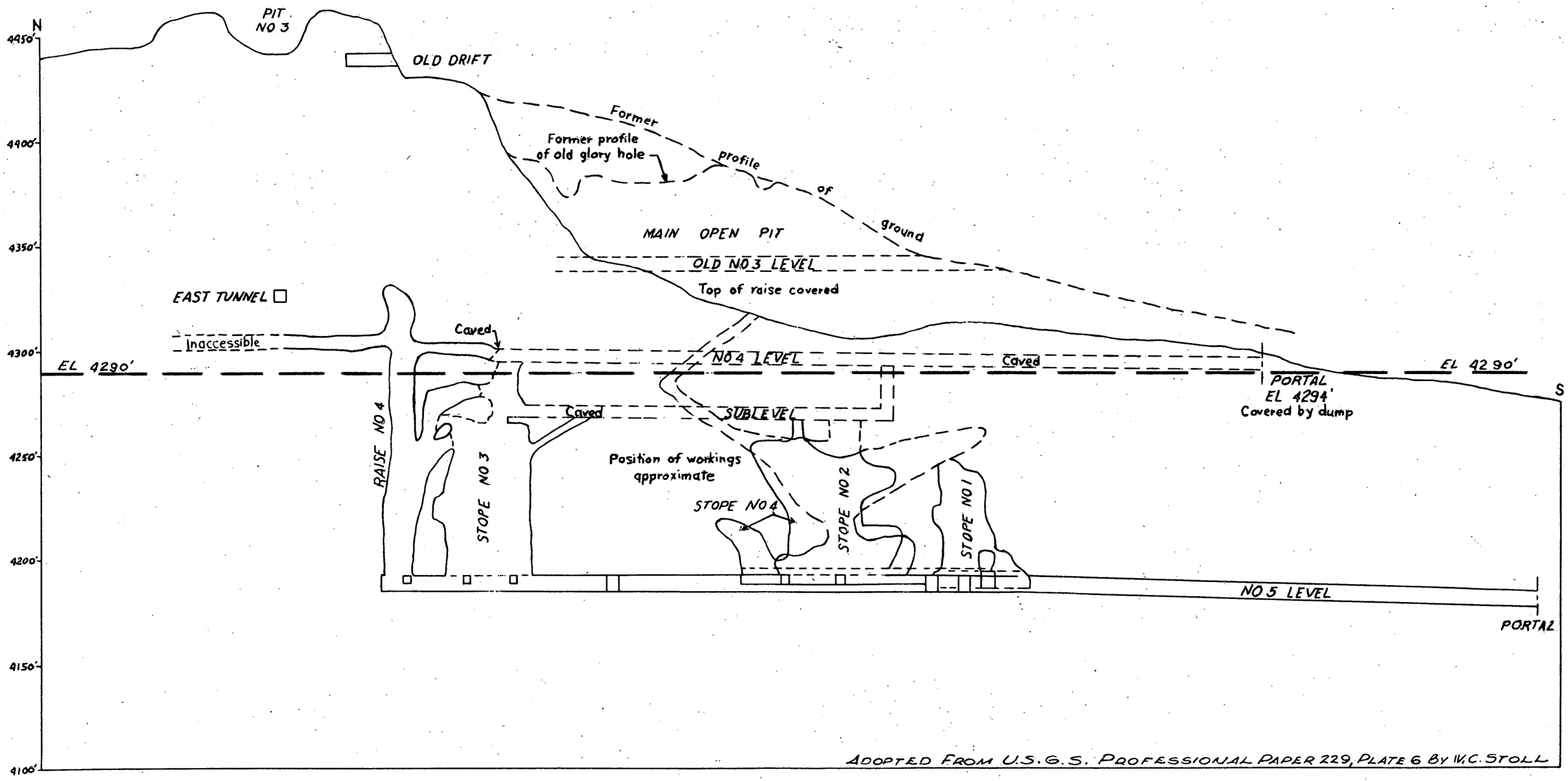
In the third sentence of Article 6(a) the words "any minerals mined or produced from the land described in Article 2" are modified to read as follows:

> Any minerals mined or produced from the land described in Article 2, below a horizontal plane drawn at the bottom of the No. 4 level at an altitude of 4290 feet, as shown on the map attached hereto and designated as Exhibit "F" (regardless of the portal through which they are extracted), together with all minerals mined or extracted from the land described in Article 2 through the No. 5 tunnel.

Idaho Beryllium and Mica Corporation
Exploration Project Contract Idm-E426

Justification for Amendment No. 1

This amendment is necessary to establish a means of distinguishing ore produced by open-cut operations as versus ore that has benefited from DMEA exploration work. The Operator has been operating an open cut for some time and it is not felt that this ground, or ground lying above the referred to datum plane, will benefit by DMEA work.



ADOPTED FROM U.S.G.S. PROFESSIONAL PAPER 229, PLATE 6 BY W.C. STOLL

NORTH-SOUTH LONGITUDINAL PROJECTION SHOWING DATUM PLANE, ELEVATION 4290 FEET BELOW WHICH REPAYMENT WILL BE MADE D.M.E.A. FOR PRODUCTS REMOVED THEREFROM

IDAHO MICA and BERYLLIUM CORPORATION

SCALE: 1" = 50 feet

Doc[illegible] No. DMEA 2607

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TERMINATED

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 126

Date of Contract or Amendment: October 27, 1952

Name and Address of Operator:

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Amount of Government participation $ 25,830.00

Percent of Government participation 90 %

Region: II State: Idaho

NOTE: Please release $2,530.68, Service Contract Administration and Audit Division

(Name)

J. L. Chambers,
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. 10/15/53

13908

Docket No. DMEA 2607

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 426

Date of Contract ~~or Amendment~~: October 27, 1952

Name and Address of Operator:

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Amount of Government participation $ 25,830.00

Percent of Government participation 90 %

Region: II State: Idaho

(Name)

F. L. Chambers,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Oct. 27, 1952 13808

October 24, 1952

Memorandum

To: Administrator

From: Deputy Administrator

Subject: Idaho Beryllium and Mica Corporation
DMSA-2607 (Mica)

Pursuant to discussions with Mr. Larry Houk concerning the proposed contract with the subject Operator, I talked to Mr. C. . Tulley of RFC. Mr. Tulley advised that in the case of Idaho Beryllium and Mica Corporation that RFC would not give a Subordination Agreement. He explained that the RFC had made a Business Loan to this company and held a lien on the fixed assets. In this case RFC has no lien on the proceeds of the operation but does hold a mortgage on the property of the Operator. Mr. Tulley advised, that RFC has no legal basis for objecting to our contract where a business loan is involved as in this case, and said this had been confirmed by his Legal Department. Consequently, there would be no point in RFC writing to us stating that they had no objection to our making the contract. He said that the Operator could make any contracts he wanted to; but of course, should be careful that he did not take on obligations that would prevent his repaying the RFC loan on schedule, because, if he failed to meet the payments the RFC would probably foreclose.

Mr. Tulley asked that our cases with RFC be handled informally with him before preparing letters requesting clearance from RFC in cases where that agency had made loans to the Operators.

In view of the position of RFC in this matter I recommend that we waive the requirement for Subordination Agreement in this case. Mr. Houk has advised me that he feels that the Operator is reliable and will make a conscientious effort to carry out this project efficiently. He has also advised me that the Field Team is of the same opinion. Under the contract, the Operator, will of course, guarantee repayments from production.

FEJohnson/bih
cc to: Docket
Admr's Reading File
Messrs. Hefflund
Chambers
Houk
FEJohnson

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2607

COMMODITY Mica

Government's Copy

IDM-E426

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 27th day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Idaho Beryllium and Mica Corporation, a corporation duly organized and existing under and by virtue of the laws of the State of Idaho
P.O. Box 176
Deary, Idaho

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Latah, described as ~~annex~~[3] set forth in Annex I

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances ~~as to each of which the subordination agreement of the holder is attached:~~
Mortgage executed April 7, 1952, by Idaho Beryllium & Mica Corp. to Reconstruction Finance Corporation to secure the payment of $125,000.00 and interest, recorded April 8, 1952, in Book 76 of Mortgages at Page 386, records of Latah County, Idaho, under Recorder's Fee No. 180215.

(*b*) ~~That the Operator is the owner, in possession and entitled to possession, and the Owner's Consent to this contract is attached.~~

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of Six months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $25,830.00, which is 90 percent of $28,700.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Idaho Beryllium and Mica Corporation
(Operator)

By John A. Cann, Jr.

By C. Mattoon
Administrator, Defense Minerals
Exploration Administration

I, John A. Cann, Jr., certify that I am the Secretary of the corporation named as Operator herein; that John A. Cann, Jr. Secretary, who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

John A. Cann, Jr. [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

ANNEX I

Description of the Land

The NW$\frac{1}{4}$ of the SE$\frac{1}{4}$ the SE$\frac{1}{4}$ of the NW$\frac{1}{4}$ and the South 330 feet of the NE$\frac{1}{4}$ of the NW$\frac{1}{4}$, all being in Section 22, Township 41 N., R. 2 W. of the Boise Meridian.

Also the surface and rights to the Muscovite Mica and Lawrence Mica Lode Mining claims, designated by the Surveyor General as Lot No. 1048, in the Robinson Mining District in the County of Latah, State of Idaho, recorded June 20, 1894, in Book 15 of Deeds at page 247, records of Latah County, State of Idaho.

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

EXHIBIT "A"

Description of the Work

Drill three diamond drill holes (total not in excess of 1200 feet) from the surface at the approximate locations shown on the map attached hereto and made a part hereof and entitled "D.M.E.A. Docket No. 2607, Idaho Beryllium Corp. Muscovite Mine - Latah County, Idaho." Hole No. 1 shall be drilled to explore the "New Pegmatite" 100 feet below the No. 5 level and extended to explore the "Central Pegmatite." Holes No. 2 and No. 3 are to explore for the downward extensions of the "East Pegmatite" and "West Pegmatite," 100 feet below the No. 5 level.

In accordance with the plan projected on the afore-mentioned map, rehabilitate the existing adit on the No. 5 level and drive a heading 5' x 7' in cross section to the "New Pegmatite." Drift on the "New Pegmatite" and explore it by crosscuts. Where necessary, new headings shall be timbered for a length not to exceed 250 feet.

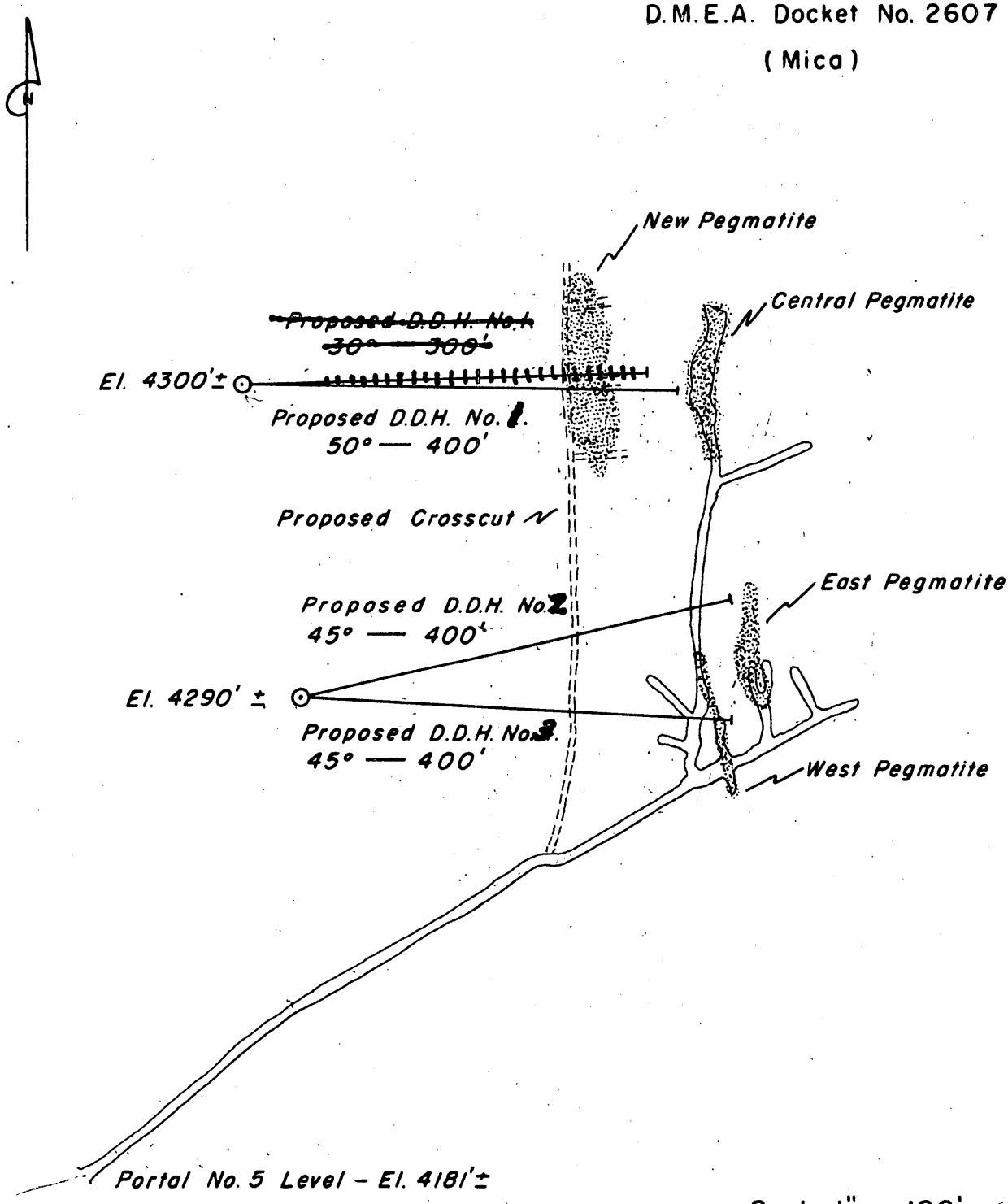
Agreed Estimated Costs of the Project

1200 feet of diamond drilling @ $4.50/ft.		$ 5,400.00
Rehabilitation and repairs to existing adit on No. 5 level		
First 50 feet @ $12.50/ft.	$ 625.00	
Next 90 feet @ $ 7.50/ft.	675.00	
Next 250 feet @ $ 5.00/ft.	1,250.00	2,550.00
Driving and crosscutting 600 feet @ $32.50/ft.		19,500.00
Timbering new headings 250 feet @ $5.00/ft. 1/		1,250.00
Total Estimated Cost of Project		$28,700.00
Government Participation @ 90%		$25,830.00

1/ The cost per foot of timbering shall be allowed only when there are two or more consecutive sets of two posts and one cap supporting at least partial lagging.

D.M.E.A. Docket No. 2607

(Mica)



Idaho Beryllium Corp. Muscovite Mine — Latah County, Idaho.

DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 426 — DMEA NO. 2607

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [ ] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____ : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

Reported Inactive 12/28/59

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E426, Docket DMEA-2607 (mica), dated October 27, 1952, with

Idaho Beryllium and Mica Corp.
P. O. Box 2574
Boise, Idaho

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Muscovite Mine located in Latah County, Idaho, during the period October 12, 1954, through November 9, 1961.

A certification of discovery or development was issued on January 12, 1954, and, in accordance with Article 6 and Annex II of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract, except the area exempted by Amendment No. 1, for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated September 14, 1955, indicated accepted costs under the exploration contract amounting to $26,999.25 with the Government's contribution, on a 90 percent basis, being $24,299.32.

The status of the project, the scope of review, the reasons therefor, and an explanation of the adjustment for uncollectible royalty, as reflected below, are stated on the following pages.

This review found no sales of production subsequent to the period covered by the prior Royalty Audit Report and Certificate, which found the sales subject to Government royalty through October 11, 1954, to be $64,314.91. The royalty account as of October 11, 1954, was:

Total Royalty Payable	$3,215.75
Total Royalty Paid	1,886.68
Balance of Royalty Due	$1,329.07

After adjustment for uncollectible royalty, as of November 9, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$1,886.68
Total Royalty Paid	1,886.68
Balance of Royalty Due	$ -0-

November 15, 1961

E. D. Talbert, OME Auditor

Idm-E426 Idaho Beryllium and Mica Corp. DMEA-2607

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

After a suspension of operations beginning June 15, 1954, the Muscovite Mine was reopened on September 16, 1954. Mining again was discontinued at the end of November 1954 and the trimming shed was closed on or about December 14, 1954. All production and sales subsequent to those covered by the prior Royalty Audit Report and Certificate were from the area exempted by Amendment No. 1 to the contract.

Although both the field and Washington offices made frequent requests upon the Operator for payment of the royalty due, as disclosed by the prior audit, payment was not received. Accordingly, the matter was referred to the Attorney General of the United States on February 14, 1955. Subsequently, the April 7, 1952, mortgage held by the Reconstruction Finance Corporation was foreclosed on May 16, 1955; all of the Operator's property was sold at auction on August 23, 1955; and the United States was granted a deficiency judgment for over $20,000.00. On December 8, 1955, the United States Attorney at Boise, Idaho, recommended that the account for royalty due be closed as uncollectible. The Department of the Interior concurred.

After the foreclosure proceedings the Operator was left without assets and decided to abandon its charter. Forfeiture of charter was effected by the Idaho Secretary of State on December 2, 1957.

The Secretary of the Treasury, having purchased the property for the Government at the August 23, 1955, foreclosure sale, resold it at public auction on June 19, 1957. Orville J. Slette, the Operator's former general manager was the purchaser. The property subsequently was sold in 1958 to Western Mica Corporation, which is now known as Ida-Mica Industrial Minerals, Inc., 312 S. Washington, Moscow, Idaho. Although a mica recovery plant was constructed on the property during the past year, there are no indications of production from the subordinated area since 1954.

The present owners' plans are to reclaim scrap from the various mine dumps and then resort to open pit mining. Under Amendment No. 1 to the exploration project contract, all production above the bottom of the No. 4 level is exempt from the royalty obligation.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate no production from the subordinated area since 1954;

(2) The Operator is no longer a legal entity; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address
Mr. John F. Brady, President
Ida-Mica Industrial Minerals, Inc.
312 So. Washington
Moscow, Idaho

Contract No.	Docket No.
Idm-E426	DMEA-2607 (Mica)

Prepared by (Signature)	Date
DRMacharen	11/ 9/ 61

Yes	No		
		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
		(b)	If so, is segregation and identification procedure adequate?
		2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		4.	Are the assay controls in effect adequate?
		5.	Does the manner of disposing of production give the Government its fair royalty returns?
		6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
		7.	Does the Operator buy from or sell to other Operators?

8. Current status of property. (Check one).

- [X] Operating.
- [ ] Inactive.
- [ ] Abandoned.

Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

See enclosed letter dated November 7, 1961, from John F. Brady, President, Ida-Mica Industrial Minerals, Inc. Amendment No. 1 of the contract excludes ore produced from above the No. 4 level. Eldon Pattee of the Bureau of Mines was recently on the property and confirms the plant construction. He confirms that there has been no recent production, that the open pit has not been mined below the No. 4 level, and that the No. 5 level is caved.

Non-Metallics, Inc.

Mica Products

312 S. Washington, Moscow, Idaho
Tel. TU 3-7491
John F. Brady, President

November 7, 1961

U. S. Dept. of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington
Attention: D. R. MacLaren,
Acting Field Officer

Re: DMEA - 2607 (Mica)
Contract Idm E-426

Dear Sir:

In regard your letter of October 19, 1961, referred to myself by Mr. Orville J. Slette.

The present owner of the Muscovite Mine and adjacent properties is IDAMICA INDUSTRIAL MINERALS, INC., which is now the name of the company, then Western Mica, that the group transferred the properties to after the group of individuals had purchased said properties at the RFC mortgage foreclosure sale in 1957.

To my knowledge, from and after the date of purchase there has been no production, exploration or sale of ore from below the No. 4 level in fact at this time the portal to the No. 5 level is caved and closed.

During the past year a small particle mica recovery was built on the Muscovite mine site. The plant was completed just long enough before winter weather arrived to determine capacity and efficiency. We are first going to reclaim scrap from the various mine dumps and then resort to open pit mining on a property south of the Muscovite. We feel that the open pit mining which has been done on the Muscovite in the past, has been so poorly planned and engineered that initially it would be more advantageous to open new properties which are some 200 yards south of the main open pit at the Muscovite.

In as much as there seems to be very few commercial deposits of mica in the Northwest, and a very good market for clean scrap on the west coast, the outlook for a stable operation appears promising.

The company which is making the installation is owned in toto by seve local business men and at this time the group has some $94,000.00 invested with no liabilities.

We have considered the possibility of making an application for a 50% Minerals Exploration loan at some time in the future to explore several surface showings. I would appreciate your comment as to what might be the consideration given to such an exploration loan application.

Very truly yours,

JOHN F. BRADY
President

JFB:mg

NCP

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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[illegible]

[illegible]

I have examined the records and sales documents pertaining to the sale of mica and beryl for the period October 27, 1952, to October 11, 1954, by the:

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

produced from the muscovite mine in Latah County, Idaho, under the terms of Contract No. [illegible]-425, Docket No. [illegible]-2607.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit established the total sales of mica and beryl subject to royalty payments for this period to be $64,31[illegible].71. Royalty due the United States Government at the contract rate of 5 percent is $3,215.75. The royalty paid and balance due are as follows:

Total Royalties Due	$3,215.75
Total Royalties Paid	1,[illegible]36.68
Balance Royalties Due	$1,32[illegible].07

Clarence E. Fisher
Clarence E. Fisher
Auditor

October 28, 1954

[illegible]

I. [illegible]

In October 20 and 21, 1954, an audit of royalty payments received covering the period October 27, 1952, to October 11, 1954, was made of the production records and ore sales accounts pertaining to Contract No. [illegible]-[illegible], Docket No. [illegible]A-2607, including Amendments No. 1 through 4, with the:

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

covering a project of exploration for mica, located in Latah County, Idaho, and generally known as the Muscovite Mica.

The production records and ore sales accounts pertaining to this contract are located in the company's office at the above address and are maintained by Mr. Orville J. Slotto, General Manager, Idaho Beryllium and Mica Corporation, who was available during this audit and was consulted when necessary.

Mr. [illegible] Anderson, mining engineer, Bureau of Mines, and Mr. C. A. Turner, auditor, Defense Minerals Exploration Administration, collaborated in the audit.

The cooperation of all concerned greatly facilitated the audit work.

II. [illegible]

This exploration contract was dated October 27, 1952. Work under the contract was completed in August 1953, and report of review dated September 14, 1953, signed by Mr. Robert [illegible] Hill, auditor, Defense Minerals Exploration Administration, indicated accepted costs under the contract aggregated $[illegible],[illegible].25 and that the United States Government's participation, on a 70 percent basis, amounting to $24,2[illegible].32 is considered valid and proper.

Amendment No. 1 to the original contract provided that the minerals subject to royalty payments shall be those mined or produced below a horizontal plane drawn at the bottom of the No. 4 level at an altitude of 4,2[illegible] feet, together with all minerals mined or extracted through the No. 5 tunnel.

The operator conducted mining operations above the 4,2[illegible]-foot level, which is the open pit portion of the property, during the time the exploration work provided in the contract was in progress.

In January 1953 a total of 2,[illegible] pounds of mica, which had been recovered from the portion of the property controlled by the exploration contract, was taken to the company's drying and storage, Idaho, for sizing, splitting, and cutting. This was an experiment to determine whether it would be profitable to process the mica recovered below the 4,[illegible]-foot level for sale as block or film mica under Program 2 of the General Services Administration purchase program.

The experiment was abandoned after 2,[illegible] pounds of mica had been processed, resulting in a recovery of only 33.25 pounds of Program 2 mica, or less than 1 percent of the quantity processed. The remaining 215 pounds were subsequently sold as scrap, hand-cobbed mica.

All mica subsequently mined from below the 4,[illegible]-foot level has been sold to the Mica Stockpile Depot, Custer, South Dakota, as Program 4, hand-cobbed mica. Even then such mica has been co-mingled with production from the open pit, the general manager explained that this is done "in order to buy grade" the under-sized mica to be acceptable standard under Program 4.

The operator's principal customer for mica since the date of the exploration contract, October 27, 1952, has been the General Services Administration Custer Depot. All of the mica subject to government royalty has been sold to that depot, together with a major portion of all other mica sold, although some small sales, principally, scrap, punch, and trims, have been made to others.

[illegible]

The audit was limited to determining the accuracy and propriety of royalty payments received by the Government during the period October 27, 1952, to October 31, 1[illegible], and a determination that all indicated sales of mica subject to royalty, regardless under the exploration contract have been properly accounted for.

There is attached to this report a statement of royalty payments received. This statement includes a listing of all sales to General Services Administration Mica Stockpile Depot, Custer, South Dakota, during the period under review. It was prepared from the operator's production and shipping records and invoices, checked with copies of G.S.A. Form 101, Warranty, Acceptance and Invoice, executed by representatives of the Mica Purchase Depot and the operator. Sales to other companies or individuals have not been included in the statement due to the fact that none of such sales have been subject to government royalty payments.

The statement also includes the quantity of mica and beryl in each shipment subject to royalty payments, together with the amount realized from each portions of the shipments, the rate of royalty, and amount of royalty due separated between that paid and that unpaid at the date of this audit.

The audit indicated that the operator had paid royalties on shipments to GSA including that covered by L.A.I. No. C-25/, (October 30, 1953); however, the operator overlooked the fact that royalties were payable on the mica processed in January 1953 as an experiment. Based on average price received for Program A mica included in L.A.I. No. C-42, January 22, 1951, and the selling price for Program B mica in January 1953, the applicable royalty would amount to $12.35 computed as follows:

	Amount of sales	Royalty Rate	Royalty Amount
Program A			
23.25 pounds @ $7.35 (average price)	172.51	5%	8.63
Program B			
215 pounds @ 30¢	64.50	5%	3.22
Totals	237.01		12.35

IV. [illegible]

A summary analysis of sales of mica and beryl by Idaho Beryllium and Mica Corporation to General Services Administration Mica Purchase Board, Custer, South Dakota, during the period October 27, 1952, to October 11, 1954, shows the following:

[illegible]

	Program A	Program B	Beryl	Total
Gross weight - pounds	3,732.[illegible]	652,[illegible]	[illegible],210	[illegible],367.[illegible]
Less: portion not subject to royalty	3,[illegible].61	23[illegible],776	3,480	2[illegible],[illegible]5.61
Balance subject to royalty	23.25	213,[illegible]	[illegible]	213,[illegible]02.25
Gross receipts	$37,1[illegible].35	$12[illegible],[illegible]2.23	$1,145.26	$216,13[illegible].34
Less: portion not subject to royalty	37,[illegible].34	64,[illegible].43	[illegible]35.66	152,[illegible].43
Balance subject to royalty	$ 1[illegible]2.51	$ 63,722.[illegible]	[illegible].60	$ 64,3[illegible].71
Royalty percentage	5%	5%	5%	5%
Royalties due	$ [illegible].13	$ 3,1[illegible].1[illegible]	$ 1[illegible].48	$ 3,215.75
Royalties received	-	1,[illegible].22	10.48	1,[illegible]6.65
Royalties balance due	[illegible].13	$ 1,3[illegible].[illegible]	$ -	$ 1,329.07

The audit has confirmed the accuracy and propriety of the royalty payments received by the Government during the period October 27, 1952, to October 11, 1954. It was also determined that all indicated sales of ores subject to repayment royalties under the exploration contract have been properly accounted for except for the balance due of $ 1,32[illegible].07, set forth in the above tabulation and as detailed on the attached Statement of Royalties Received.

Clarence E. Fisher
Clarence E. Fisher
Auditor

October 2[illegible], 1954

ADAMS BERYLLIUM AND MICA CORPORATION
Exploration Contract Idm-2426, Docket DMA-2667

STATEMENT OF ROYALTY PAYMENTS RECEIVED
Period October 27, 1952, to October 11, 1954

	General Services Administration settlement sheet						Portion of sales subject to DMEA regulation					
Date	G.S.A. Lot No.	Gross weight pounds	Gross value	Reductions	Net value	Net value per pound	Pounds	Amount	Rate of royalty	Royalty due	Royalty paid	Balance due
General Services Administration												
Mica Purchase Depot, Custer, South Dakota												
Mica - Program A												
11/28/52	C- 64	1,694.59	$17,052.99	—	$17,052.99	$ 10.06						
12/31/52	82	1,000.00	12,035.83	—	12,035.83	12.04						
1/22/53	92	1,200.00	9,483.99	—	9,483.99	7.85	23.25	$ 182.51	5%	$ 9.13		$ 9.13
2/16/53	103	1,227.13	15,809.00	—	15,809.00	12.88						
4/4/53	122	100.50	957.00	—	957.00	9.52						
4/29/53	132	354.75	3,412.25	—	3,412.25	9.62						
5/16/53	141	322.00	3,315.50	—	3,315.50	10.30						
5/25/53	144	290.00	3,176.00	—	3,176.00	10.95						
6/8/53	152	307.37	2,893.68	—	2,893.68	9.41						
6/25/53	167	389.27	3,336.74	—	3,336.74	8.57						
7/2/53	168	200.00	1,594.80	—	1,594.80	7.97						
7/29/53	191	200.00	1,833.99	—	1,833.99	9.17						
8/22/53	210	200.41	1,812.80	—	1,812.80	9.05						
9/25/53	223	215.00	1,701.87	—	1,701.87	7.92						
10/6/53	228	218.22	1,823.68	—	1,823.68	8.35						
10/13/53	232	210.25	1,828.12	—	1,828.12	8.70						
10/29/53	244	304.12	3,276.74	—	3,276.74	9.00						
10/11/54	370	239.25	1,901.87	—	1,901.87	7.95						
Totals		8,732.86	$87,186.85		$87,186.85	$ 9.98	23.25	$ 182.51		$ 9.13		$ 9.13
Mica - Program B												
12/4/52	C- 68	80,000	$24,000.00	—	$24,000.00	$ 0.30						
1/22/53	92						215	$ 64.50	5%	$ 3.22		$ 3.22
3/3/53	158	73,950	22,185.00	—	22,185.00	0.30	49,106	14,731.80	5%	736.59	$ 736.59	
8/22/53	209	35,050	10,515.00	—	10,515.00	0.30	21,114	6,334.20	5%	316.71	316.71	
10/28/53	240	33,849	10,154.70	—	10,154.70	0.30	27,906	8,371.80	5%	418.59	418.59	
11/4/53	245	34,515	10,354.50	—	10,354.50	0.30	7,995	2,398.50	5%	119.92	119.92	
11/30/53	257	41,181	12,354.30	—	12,354.30	0.30	18,959	5,687.70	5%	284.39	284.39	
1/26/54	282	26,946	8,083.80	—	8,083.80	0.30	26,576	7,972.80	5%	398.64		398.64
3/4/54	295	35,873	10,761.90	—	10,761.90	0.30	35,873	10,761.90	5%	538.10		538.10
4/19/54	309	34,373	10,311.90	—	10,311.90	0.30	25,332	7,999.60	5%	379.98		379.98
6/17/54	349	33,118	6,081.13	—	6,081.13	0.18						
8/31/54		24,000	3,600.00	—	3,600.00	0.15						
Totals		492,855	$128,402.23		$128,402.23		213,076	$63,922.80		$3,196.14	$1,876.20	$1,319.94
Beryl												
9/21/53	B- 24	1,890	$ 495.18	—	$ 495.18	$ 0.262	800	$ 209.60	5%	$ 10.48	$ 10.48	
6/28/54	81	2,390	650.08	—	650.08	0.272						
Totals		4,280	$ 1,145.26		$ 1,145.26		800	$ 209.60		$ 10.48	$ 10.48	
Grand Totals			$216,734.34		$216,734.34			$64,314.91		$3,215.75	$1,886.68	$1,329.07

UNITED STATES
DEPARTMENT OF THE INTER
DEFENSE MINERALS ADMINISTR
WASHINGTON 25, D. C.

Hooker
Parks
Hoffman
Alexander
Hazlett
Lethridge
Thayer
K Johnson

[illegible]

To: Idaho Beryllium and Mica Corporation
[illegible] Box 176
Cleary, Idaho

Pursuant to the provisions of exploration project contract No. Ida-[illegible]6, dated October 27, 1952 (Docket No. [illegible]-647), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Surface and underground diamond drilling, drifting, prospecting and raising under the contract exposed mica, and sufficient data were developed to calculate reserves of strategic mica.

[illegible]

By O O Mitchendorf
Administrator, Defense Minerals
Exploration Administration

JAN 1 2 1954
Date: _____

[illegible]:gad 1/6/54
Copy to: Mr. Irving Gumbel, [illegible]
Mr. Thayer, 5416 [illegible] Bldg.
Mr. Hoffman, 4604
[illegible] File
Docket File
Field Team, Region II
Operating Committee
Mr. Johnson
Mr. Chambers
Finance Office
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have examined the Monthly Reports of

Idaho Beryllium and Mica Corporation
Box 176
Deary, Idaho

pertaining to Exploration Project Contract No. Idm-E426, Docket No. DMEA-2607, including Amendments Nos. 1, 2, 3, and 4, for the months of November 1952, and January 1953 through August 1953, covering a project for the exploration of mica.

My review included an examination of the Monthly Reports (Forms MF-104) comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

The contract provides for payment by the Government on the basis of estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by contractor	$27,194.25
Exceptions:	
By DMEA Certifying Officer	none
By review	195.00
Total accepted costs	$26,999.25

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor in the amount of Twenty Four Thousand Two Hundred Ninety Nine and 32/100 Dollars

$24,299.32

is considered valid and proper.

Robert M. Hull

Robert M. Hull
Auditor

September 14, 1953

SCHEDULE OF EXCEPTIONS

Idaho Beryllium & Mica Corporation
Docket No. IMEA 2606
Contract No. Idm-2426

Costs as claimed by Operator

Timbering - 250 feet @ $5/ft.	$1,250.00
Disallow for excess footage - 39 feet @ $5/ft.	195.00
	$1,055.00
Total disallowance	$ 195.00

Status of "allowable maximums"

Item	Allowable Maximum	Work actually performed	Allowable	Balance
Diamond drilling				
*1200 feet @ $4.50 a/	$5,400.00	754 ft. @ $4.00	$3,016.00)	
		446 ft. @ 4.50	2,007.00)	$377.00
Timbering				
**211 feet @ $5.00	1,055.00	250 ft. @ 5.00 or $1250.00	1,055.00	Excess $195.00

*Amendment No. 2 provided that total drilling shall not exceed 1200 feet.

a/Agreed estimated cost of surface drilling. The agreed estimated cost of drilling from underground stations is $4.00/ft.

**Amendment No. 4 provided that new headings shall be timbered for a length not to exceed 211 feet.

Department of the Interior
Defense Minerals Administration
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JUL 13 1953

Docket Copy

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

AMENDMENT NO. 4

It is agreed this 10th day of July, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Idaho Beryllium and Mica Corporation, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E426, Docket No. DMEA-2607, dated October 27, 1952, as amended, between the parties hereto, be further modified and amended as of June 17, 1953, as follows:

1. (a) Under the heading "Description of the Work," in lieu of the second and third sentences in the second paragraph which read:

> Drift on the "New Pegmatite" and explore it by crosscuts. Where necessary, new headings shall be timbered for a length not to exceed 250 feet.

substitute the following:

> Explore the New Pegmatite by approximately 472 feet of drifts and crosscuts, and if no strategic mica is then found on the 500 level, raise to the strategic mica zone, and then explore this zone by drifting and crosscutting. Where necessary, new headings shall be timbered for a length not to exceed 211 feet.

(b) Under the heading "Agreed Estimated Costs of the Project," change the last two headings referring to driving, crosscutting, and timbering, to read as follows:

Drifting, raising, and crosscutting 606 feet @ $32.50/ft.	$19,695.00
Timbering new headings 211 feet @ $5.00/ft. 1/	1,055.00

2. Annex II attached hereto and made a part hereof is substituted for that part of Article 6(a) of the contract form preceding the colon.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor any agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C D Mitchenson
Administrator, Defense Minerals Exploration Administration

IDAHO BERYLLIUM AND MICA CORPORATION

By John A. Cann Jr

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

ANNEX II

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account required by the exploration project contract, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land except the area exempt in Amendment No. 1 which is the subject of the exploration project contract, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

Before 6/22/53 Pubin

(Amendment to Change Starting and/or Completion Dates) DOCKET COPY

AMENDMENT NO. 3

It is agreed this 1st day of June 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Idaho Beryllium and Mica Corporation, a Corporation duly organized and existing under and by virtue of the laws of the State of Idaho, P. O. Box 176, Deary, Idaho each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-Eh26 dated October 27, 1952 between the parties hereto be modified and amended to change the starting date from ------ (No. of days) to within ------ (No. of days) of the date of the contract and the completion period from 6 (No. of months) to 10 (No. of months) from the date of the contract. The effective date of this amendment shall be April 27, 1953.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum".

Executed in sextuplicate the day and year first above written.

IDAHO BERYLLIUM AND MICA CORPORATION
(Operator)

By John A. Cann, Jr.
Secretary

THE UNITED STATES OF AMERICA

By A. E. Weissenborn
A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II

Contract Idm-8426
Idaho Beryllium and Mica Corporation
Latah County, Idaho
Docket No. DMEA-2607I (Mica)

JUSTIFICATION FOR AMENDMENT NO. 3

It is necessary to allow this amendment to extend the completion date of the contract to give the operators sufficient time in which to complete the project. Work has progressed steadily without recess from the beginning date of the contract. Encouraging progress has been made but at the time of the original completion date of the contract, considerable work had been unfinished, and the target of the exploration had not been reached. The four months extension as provided by this amendment will allow the operators sufficient time to complete satisfactorily the work as outlined in the contract.

DOCKET COPY

AMENDMENT NO. 2

It is agreed this 13th day of March 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and

Idaho Beryllium and Mica Corporation

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 426 of October 27, 1952 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be March 13, 1953.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum."

Executed in sextuplicate the day and year first above written.

IDAHO BERYLLIUM & MICA CORPORATION
(Operator)

By John A. Cann. Jr

THE UNITED STATES OF AMERICA

By A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

Idaho Beryllium and Mica Corporation
Exploration Project Contract

Amendment No. 2

Exhibit "F"

The 500 level drift has been driven to the projected position of the "New Pegmatite" and has failed to intersect it. In order to further explore for it in the most economical manner it is necessary to amend Exhibit "A" of the contract as follows:

1. Change the description of the work, paragraph 1 to read:

"Diamond drill from a station or stations in the Number 5 level drift as indicated on the attached map to explore for the New Pegmatite above or below the No. 5 level. If further diamond drilling is required to locate or delineate the pegmatite, this may be done but only with the specific approval of the Field Team as to the location of holes. Additional drilling to explore for the downward extensions of the "East Pegmatite", "West Pegmatite" and "Central Pegmatite" may be done from the No. 5 level from stations indicated on the attached map or from the surface as indicated on the contract map, subject to the approval of the Field Team. Total drilling shall not exceed 1,200 feet. All holes are to be drilled with BX or AX size bit."

2. Under <u>Agreed Estimated Costs of the Project</u> change the first item to read:

"1,200 feet of diamond drilling @ $4.50 a/ $5,400.00

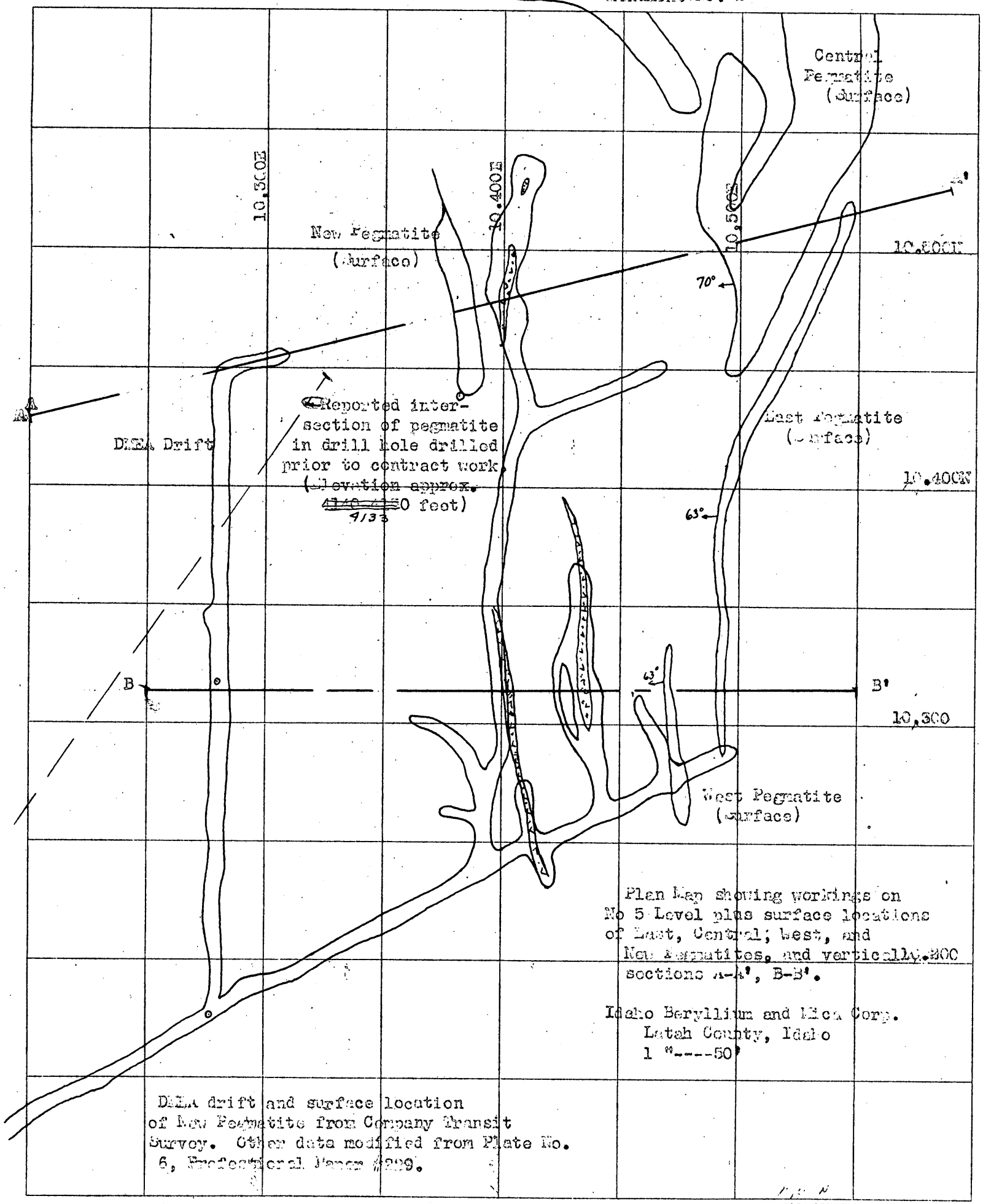
a/ Agreed estimated cost of surface drilling. The agreed estimated cost of drilling performed from underground stations is $4.00 per foot."

Idaho Beryllium and Mica Corporation

Latah County, Idaho

Justification for Amendment No. 2

Drifting and crosscutting on the No. 5 level has failed to intersect the "New" pegmatite at its projected downward extension. Consequently, diamond drilling is to be done from stations in the DMEA drift to explore for the "New" pegmatite both above and below the No. 5 level, and to explore for downward extensions of the "West," "Central," and "East" pegmatites below the No. 5 level. The "New" pegmatite can be explored for more cheaply by diamond drilling than by continued drifting and crosscutting. The downward projection of the "West," "Central," and "East" pegmatites can be reached from stations on the No. 5 level with much shorter holes than those originally planned from surface locations.



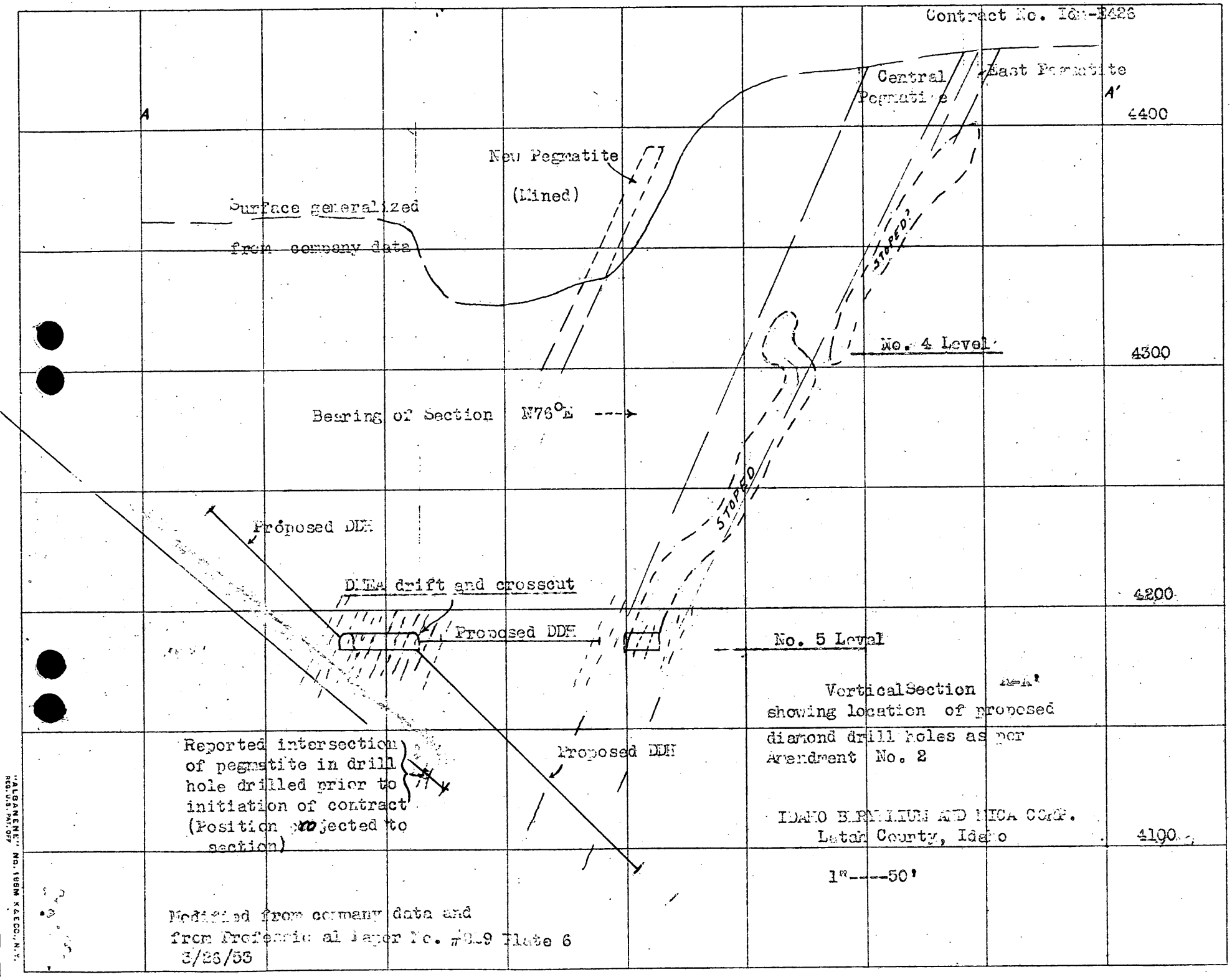
Plan Map showing workings on No 5 Level plus surface locations of East, Central, West, and New Pegmatites, and vertically 300 sections A-A', B-B'.

Idaho Beryllium and Mica Corp.
Latah County, Idaho
1 "----50'

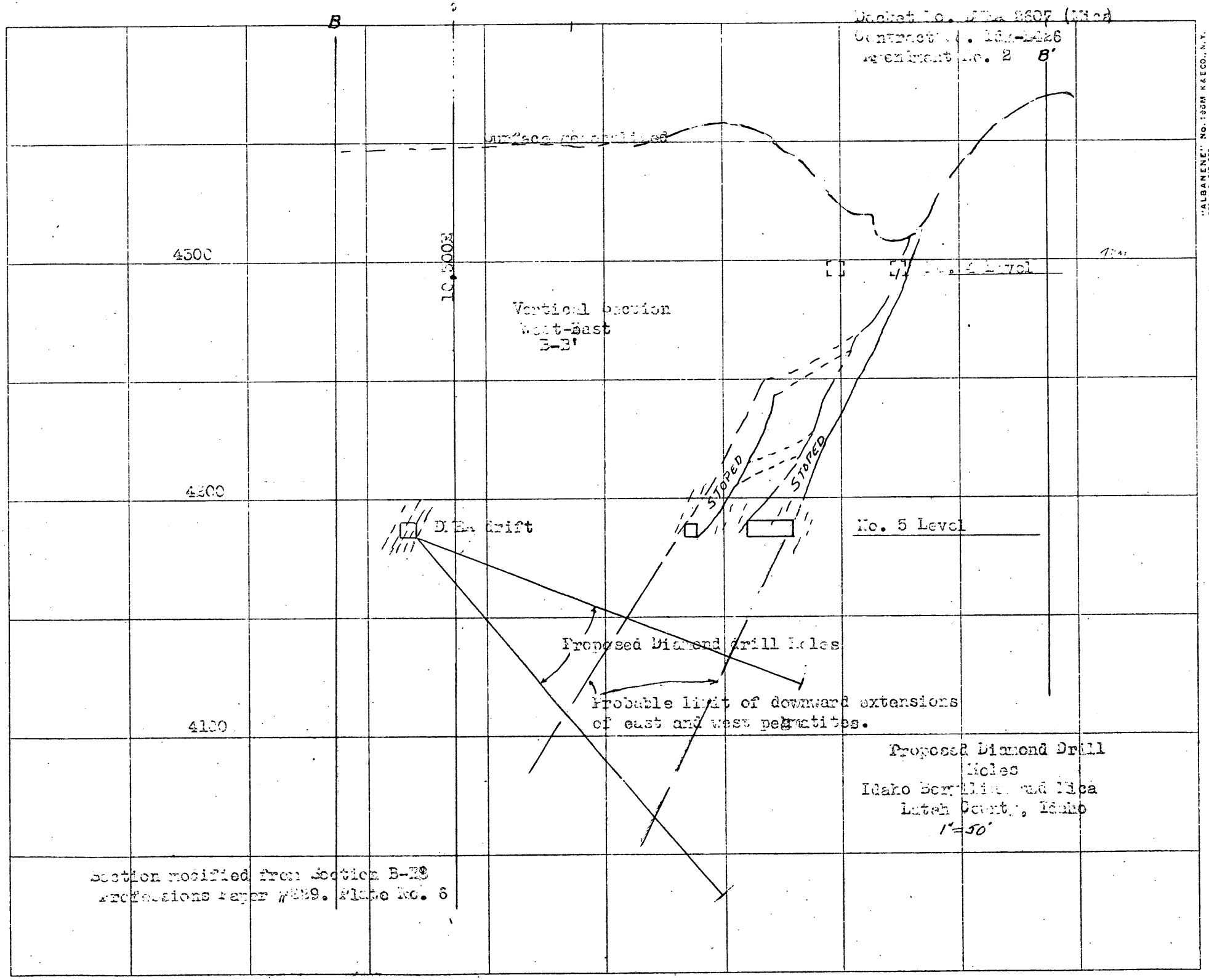
DMA drift and surface location of New Pegmatite from Company Transit Survey. Other data modified from Plate No. 6, Professional Paper #209.

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

Docket No. DMEA 2607 (Mica)
Contract No. IGM-E426



"ALBANENE" NO. 166W KALCO, N.Y. REG. U.S. PAT. OFF.



"ALBANENE" No. 190M K&E CO., N.Y.
REG. U.S. PAT. OFF.

AMENDMENT NO. [illegible]

It is agreed this [illegible] day of [illegible] 195[illegible], between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and [illegible] and [illegible] Corporation, a corporation duly organized and existing under and by virtue of the laws of the State of Idaho, P. O. Box [illegible], Dugway, Idaho each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E [illegible] of [illegible] 195[illegible] between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be [illegible] 195[illegible].

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum."

Executed in sextuplicate the day and year first above written.

[illegible] AND [illegible] CORPORATION
(Operator)

By John A. Carr, Jr.
Secretary

THE UNITED STATES OF AMERICA

By [illegible]
[illegible], Executive Officer
DMEA Field Team, Region II
[illegible], Acting Chief, [illegible]

Idaho Beryllium and Mica Corporation
Exploration Project Contract Idm-1426

Amendment No. 1

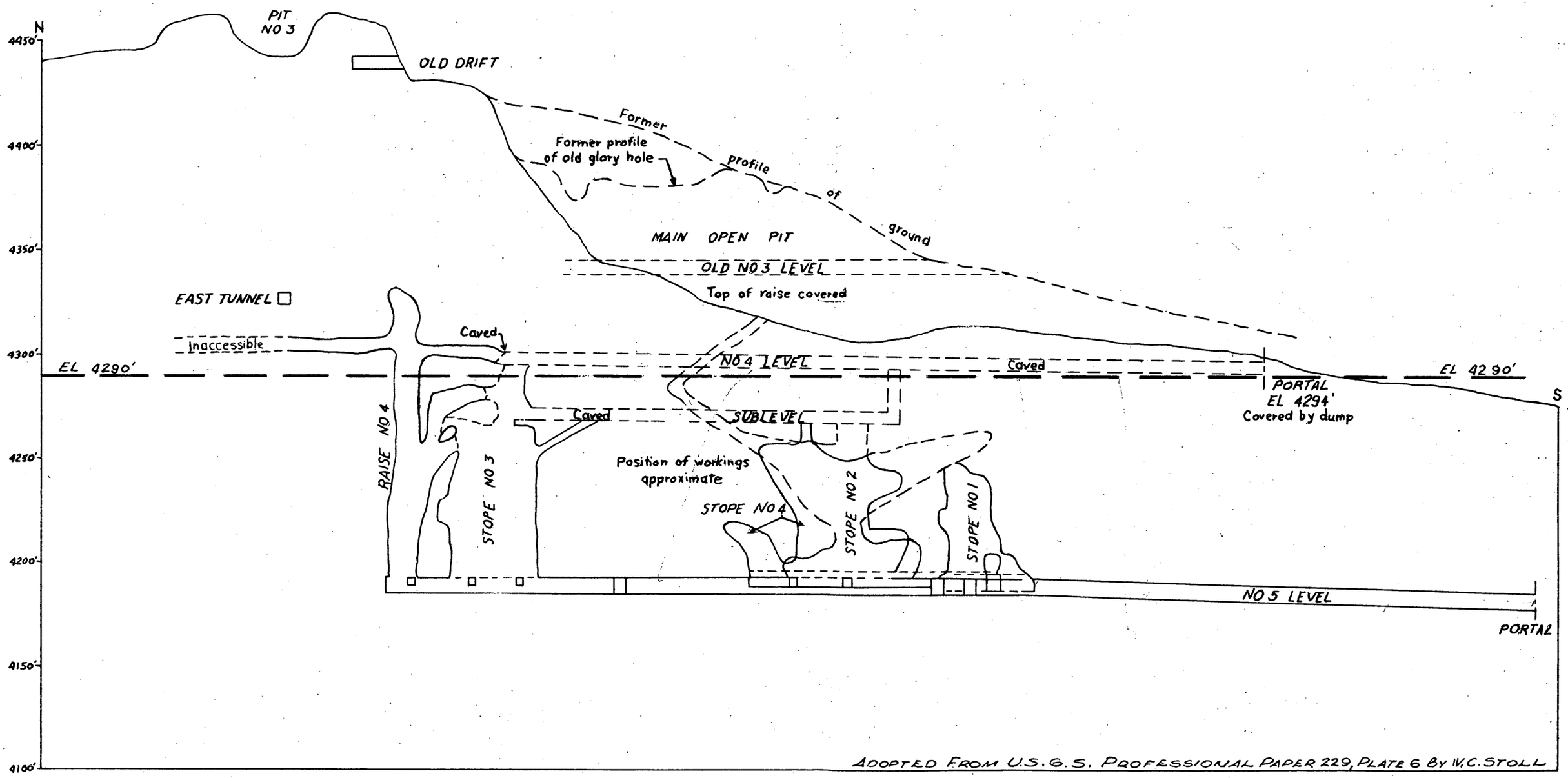
Exhibit "F"

Changes and Modifications

In the third sentence of Article 6(a) the words "any minerals mined or produced from the land described in Article 2" are modified to read as follows:

> Any minerals mined or produced from the land described in Article 2, below a horizontal plane drawn at the bottom of the No. 4 level at an altitude of 4200 feet, as shown on the map attached hereto and designated as Exhibit "F" (regardless of the portal through which they are extracted), together with all minerals mined or extracted from the land described in Article 2 through the No. 5 tunnel.

D.M.E.A DOCKET No. 2607



ADOPTED FROM U.S.G.S. PROFESSIONAL PAPER 229, PLATE 6 BY W.C. STOLL

NORTH-SOUTH LONGITUDINAL PROJECTION SHOWING DATUM PLANE, ELEVATION 4290 FEET BELOW WHICH REPAYMENT WILL BE MADE D.M.E.A. FOR PRODUCTS REMOVED THEREFROM

IDAHO MICA and BERYLLIUM CORPORATION

SCALE: 1" = 50 feet

Idaho Beryllium and Mica Corporation
Exploration Project Contract Idm-2426

Justification for Amendment No 1

This amendment is necessary to establish a means of distinguishing ore produced by open-cut operations as versus ore that has benefited from DMEA exploration work The Operator has been operating an open cut for some time and it is not felt that this ground, or ground lying above the referred to datum plane, will benefit by DMEA work

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2607

COMMODITY Iron

Docket Copy

IDM-E 426

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 27th day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Idaho Beryllium and Iron Corporation, a corporation duly organized and existing under and by virtue of the laws of the State of Idaho
P.O. Box 176
Deary, Idaho

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Latah, described as follows: set forth in Annex I

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances ~~or encumbrances which are subordinate to the Government's contract~~:
Mortgage executed April 7, 1952, by Idaho Beryllium & Iron Corp. to Reconstruction Finance Corporation to secure the payment of $125,000.00 and interest, recorded April 8, 1952, in Book 76 of Mortgages at page 396, records of Latah County, Idaho, under Recorder's Fee No. 180215.

(*b*) ~~That the property is subject to possession, but is not subject to liens or encumbrances.~~

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] Iron

in or upon the described land; and shall bring the project to completion within a period of six months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $25,830.00, which is 90 percent of $28,700.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

(For instance: The percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Idaho Beryllium and Mica Corporation
(Operator)

By John A. Carver, Jr.

By C. O. Mitteendorf
Administrator, Defense Minerals Exploration Administration

Defense Hotline
Hand Talbot

I, John A. Carver, Jr, certify that I am the Secretary of the corporation named as Operator herein; that John A. Carver, Jr Secretary, who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

John A. Carver, Jr. [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

ANNEX I

Description of the Land

The NW¼ of the SE¼ the SE¼ of the NW¼ and the South 330 feet of the NE¼ of the NW¼, all being in Section 22, Township 41 N., R. 2 W. of the Boise Meridian.

Also the surface and rights to the Muscovite Mica and Lawrence Mica Lode Mining claims, designated by the Surveyor General as Lot No. 1048, in the Robinson Mining District in the County of Latah, State of Idaho, recorded June 20, 1894, in Book 15 of Deeds at page 247, records of Latah County, State of Idaho.

EXPLORATION PROJECT CONTRACT
IDAHO BERYLLIUM AND MICA CORPORATION
DOCKET NO. DMEA-2607

EXHIBIT "A"

Description of the Work

Drill three diamond drill holes (total not in excess of 1200 feet) from the surface at the approximate locations shown on the map attached hereto and made a part hereof and entitled "D.M.E.A. Docket No. 2607, Idaho Beryllium Corp. Muscovite Mine - Latah County, Idaho." Hole No. 1 shall be drilled to explore the "New Pegmatite" 100 feet below the No. 5 level and extended to explore the "Central Pegmatite." Holes No. 2 and No. 3 are to explore for the downward extensions of the "East Pegmatite" and "West Pegmatite," 100 feet below the No. 5 level.

In accordance with the plan projected on the afore-mentioned map, rehabilitate the existing adit on the No. 5 level and drive a heading 5' x 7' in cross section to the "New Pegmatite." Drift on the "New Pegmatite" and explore it by crosscuts. Where necessary, new headings shall be timbered for a length not to exceed 250 feet.

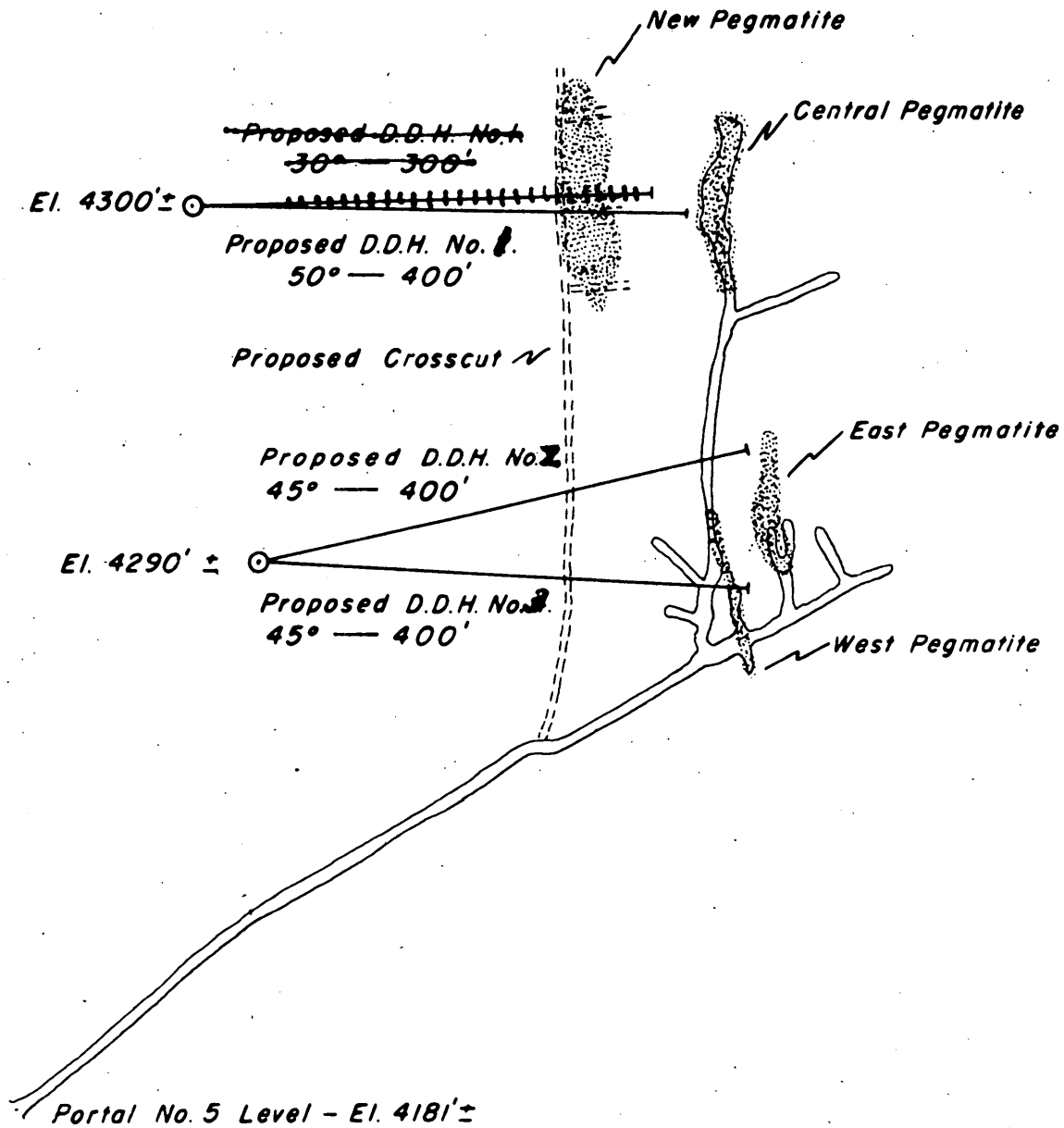
Agreed Estimated Costs of the Project

1200 feet of diamond drilling @ $4.50/ft.		$ 5,400.00
Rehabilitation and repairs to existing adit on No. 5 level		
First 50 feet @ $12.50/ft.	$ 625.00	
Next 90 feet @ $ 7.50/ft.	675.00	
Next 250 feet @ $ 5.00/ft.	1,250.00	2,550.00
Driving and crosscutting 600 feet @ $32.50/ft.		19,500.00
Timbering new headings 250 feet @ $5.00/ft. 1/		1,250.00
Total Estimated Cost of Project		$28,700.00
Government Participation @ 90%		$25,830.00

1/ The cost per foot of timbering shall be allowed only when there are two or more consecutive sets of two posts and one cap supporting at least partial lagging.

D.M.E.A. Docket No. 2607

(Mica)



Scale 1" = 100'

Idaho Beryllium Corp. Muscovite Mine — Latah County, Idaho.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

July 1, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 7 1952

Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Sir:

Enclosed are three copies of an application for DMEA exploration assistance submitted by the Idaho Beryllium and Mica Corporation, Deary, Idaho. One copy of the application has been retained in the files of this office.

Accompanying the application are three copies of United States Geological Survey Professional Paper 229, which describes in considerable detail the geology of the applicants property. Additional information concerning the applicant may be obtained from an application for a production loan submitted by this same corporation in 1951. The corporation obtained the production loan and is presumably using funds from this loan in their current mining operations.

Sincerely,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: USBM

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUL 7 1952

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-2601
Metal or Mineral
Date Received 7-7-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Idaho Beryllium and Mica Corporation
P. O. Box 176, Deary, Idaho

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(a) State the mineral or minerals for which you [illegible] to explore .....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ...30... days and be completed within ...11... months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated ...June 27..., 195...2

Idaho Beryllium & Mica Corporation
(Applicant)

By G. V. Peterson
Pres.

John A. Carr, Jr.
Asst. Sect.

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS
EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

PAYMENT OF POSTAGE, $300
(PMGC)

MF-103, Idaho Beryllium & Mica Corporation
P.O. Box 176
Deary, Idaho

1. (a)

(b)

(c) C. V. Peckham — Caldwell, Idaho — President
Leo J. Mason — Caldwell, Idaho — Vice-President
Vance Edward Peckham — Wilder, Idaho — Secretary-Treasurer
John A. Carver, Jr. — Boise, Idaho — Assistant Secretary

(d)

3. The Northwest Quarter of the Southeast Quarter, the Southeast Quarter of the Northwest Quarter and the South Three Hundred and Thirty Feet of the Northeast Quarter of the Northwest Quarter, all being in Section 22, Township 41 N. R. 2 West of the Boise Meridian. Ground owned by company. Deed held by company in Deary, Idaho.

ALSO the surface and rights to the Muscovite Mica and Lawrence Mica Lode mining claims, designated by the Surveyor General as Lot No. 1048, in the Robinson Mining District in the County of Latah, State of Idaho, recorded June 20, 1894, in Book 15 of Deeds at page 247 records of Latah County, State of Idaho. These patetented claims owned outright by the Idaho Beryllium & Mica Corporation, Deary, Idaho.

(b) Muscovite Mine

(c) Owner

(e) Mortgage executed April 7, 1952, by Idaho Beryllium & Mica Corporation, to Reconstruction Finance Corporation, to secure the payment of $125,000.00 and interest, recorded April 8, 1952, in Book 76 of Mortgages at Page 386, records of Latah County, Idaho, under Recorder's Fee No. 180215.

4. (a) (b) As to mining and exploration operations conducted in the past, see Stoll, W. C., Mica and Beryl Pegmatites in Idaho and Montana, U. S. G. S. Professional Paper 229, pp. 36-37, 1950. (Hereinafter referred to as Stoll).

Operation at present consist of a fifteen man crew at the mine including; 1 engineer, 2 foreman, 2 miners, 1 slusher operator, 4 dozer operators, 6 mica pickers and one maintainance man. The operation consists of a screening plant and an open pit mine on the pegmatite dike. Mining is done by dozers and one ripper and the pegmatite [illegible] lightly shot and then hand picked to recover the mica. The mine cobbed mica is then brought by truck to Deary, Idaho where it is processed by; 8 rifters, 32 trimmers, 3 recutters, and 4 graders. Production at present is 150 pounds of trimmed sheet mica per day with an expected expansion to 300 pounds per day in the near future.

Recovery of cobbed mica is 7000 pound per 8 hrs. shift at present with plans to go on 16 hrs. in the near future. Sheet mica recovery is between 5 and 5½ percent.

Existing workings consist of a 660 ft. adit plus caved workings which are now inaccessible. Applicant conducts its own operations. Adit and portion of unstoped areas are accessible to examination. (See marks on Plates 5 and 6 of Stoll.)

4. (b) Past production, Stoll pp. 37 and 38, and Table 12.
Ore reserves, Stoll, p. 40, Table 23.
Grades, Stoll, Table 14, 15, 18, and 20.
Quantities, Stoll, Table 12.

~~Present production, approximately two tons of crude book mica per day, yielding quantities and grades approximately as shown in Stoll, Table 12.~~

(c) As to geologic features and mineralization, see Stoll, p. 37-48. We wish to explore the area below the existing adit to find the extent of the ore body.

(d) Good graveled road to property. Shipping, supply, and residence point is Deary, Idaho, 10 miles distant.

(e) Manpower, materials, supplies and equipment plentiful. Power line being installed by Clearwater Valley Light and Power Co., under contract, at present time, to be completed by August 1, 1952. Sufficient water for drilling and mining, and additional facilities being installed for milling.

5. (a) Strategic mica.

(b) The work will consist of repairing the existing adit which strikes the east pegmatite at 490 feet. The adit will have to have new track, power and air lines installed over the entire length. A station will then be built at the intersection of the vein and adit and a winze put down on the vein. A small hoist, electric, will be used to remove the muck. The winze will be six by 12 feet and will be inclined at 65° so that the winze will be sunk in the ore. The depth will be 120 feet. At 100 feet a drift will be started to the north to find the extent of the east pegmatite, and a crosscut made to the west pegmatite. The drifts and crosscuts will be approximately 300 feet in total length and will be timbered as needed. Skip pockets and track will be placed in the winze and the winze will be timbered. Track will be laid in the drifts and crosscuts. A sump pump will be placed in the last 20 feet of the winze. See marks on Stoll, Plate 6.

(d) Applicant presently in production in open cut mining. Experienced miners are available. In the last two years, supervisory personnel of applicant have gained broad experience in problems of mica mining. Resident engineer, particularly, has broad familiarity with project, and is graduate engineer.

6. (a) Independent contract, complete, based on information available without bids:

120 feet of shaft @ $120.	$14,400.
300 feet of drifts and crosscuts @ $40.	12,000.

(b) Labor:
The above estimates on contract prices includes labor:
Miners @ $15.00 per shift
Hoistman @ $15.00 per shift
Tramner @ $14.00 per shift
Supervision @ $500 per mo.
Engineering and geological consultants: (none)

powder, caps fuses, rail, bits, steel, fish plates and bolts, ties, timber, pipe, power, skip pockets and maintainance.

M-105, Idaho Beryllium & [illegible] Corporation
P. O. Box 176
Deary, Idaho

6. (c) Operating materials and supplies needed for rehabilitation of existing adit and haulage drift.

Fish plates and bolts	$35.00
Ties	75.00
Pipe	300.00
Power	50.00

(d) Operating equipment
To be purchased:

Compressor	4,600.00
Skip	500.00
Hoist	5,000.00
Sump pump	500.00
Swedish Jack Legs	1,800.00

To be rented: none
To be furnished: none

(e) Retimbering of existing adit and drift
200 ft @ $10.00 per ft. 2,000.00

Labor: 2 timberman @ 15.00/ shift included in retimbering cost.
1 mucker @ 14.00/ shift 700.00
2 miner @ 15.00/ shift 1500.00

(g) Misc. Analysis: none needed on mica ore, visual inspection is all that is necessary.

Accounting	500.00
Workmans Compensation	175.00
Insurance	100.00
Payroll taxes	175.00

(h) Contingencies: 10% 4471

Recapitulation:

(a) Exploration work to be done under contract	26,400
(b) Operating materials and supplies	660
(d) Operating equipment	12,500
(e) Rehabilitation	4,200
(f)	
(g) Misc.	950
(h) Contingencies	4,471
	49,181

(a) Yes

(b) Money

FILE COPY
SURNAME:

Robertson
Lawrence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

August 25, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426
Amount $28,700.00

Re: Review and resume of the docket.

Property: The NW 1/4 and the South 330 feet of the NE 1/4 of the NW 1/4 of Sec. 22, T. 41 N., R 2 W. Boise Meridian. (Owned by corporation.) Also surface and rights to Muscovite-Mica and Lawrence Mica Lode Mining claims, designated by Surveyor General as Lot No. 1048 Robinson Mining District, Latah County, Idaho. (Past mining, See USGS Professional Paper 229, by W. C. Stoll). Mortgage executed April 7, 1952, by Idaho Beryllium & Mica Corporation, to Reconstruction Finance Corporation, in sum of $125,000.00. Recorded Pg. 386 of Mortgages, Latah County Recorder.

Operator: Idaho Beryllium and Mica Corporation, a corporation by virtue of laws of State of Idaho. P. O. Box 176, Deary, Idaho.
C. V. Peckham, Caldwell, Idaho, President
Leo J. Mason, Caldwell, Idaho, Vice-President
Vance Edward Beckham, Wilder, Idaho, Secretary-Treasurer
Orville J. Slette, Manager
Amount applied for $49,181.00.
Contract approved: $28,700.00
Amount spent to last MF-104 report, July, 1953 $24,775.50.
Project work: Diamond Drilling, Drifting and crosscutting and some rehabilitation on No. 5 level.

R.C.A.
9-15-54

Amendment No. 1, October 27, 1952, Royalty production limited to ore below No. 4 level at altitude of 4,290 feet.
Amendment No. 2, March 13, 1953, Permitted diamond drilling from station on No. 5 level.
Amendment No. 3, June 1, 1953. An extension of time of completion.
Amendment No. 4, July 10, 1953. An amendment to change work to permit some raising on New pegmatite.
None of the above four amendments increased the original approved amount of cost, namely, $28,700.00; of which as of August 1, 1953, $24,775.50 had been spent.

Proposed work below No. 5 level:

Shaft - 120 ft. @ $160.37 per ft.	$19,244.40
Drifting & crosscutting - 500 ft. @ $42.83/ft.	21,415.00
Timbering drifts & x-cuts 300 ft. @ $6.50/ft.	1,950.00
Total	$42,609.40

Summary of Docket: (As of August 18, 1953)

7/7/52 Memo from Region II dated 7/1/52, forwarding application, which proposed rehabilitating existing adit on No. 5 level to the point at which it intersects the east pegmatite at 490 ft. from the portal, sinking an inclined winze at this point and starting a new No. 6 level from the winze at a depth of 100 ft. driving a drift north to find the extent of the east pegmatite, together with a crosscut to the west pegmatite, for a total length of 300 ft. Proposed cost $49,181.00.

7/16/52 Memo from Weiss of USGS recommending denial because
(1) "The proposed exploration could be expected to add approximately 9,500 tons of rock in the East pegmatite (the pegmatite that has proved most productive in the past). Of this 9,500 tons, 1,920 is already included in the published reserve figures."
(2) "This clearly comes under the heading of development work rather than exploration. The applicant also requests $12,400 for equipment that has no place in exploration work. The total amount requested is extravagant."
(3) "The applicant recently received a $125,000 DMPA loan - an extremely large sum for this deposit - and until the Government knows how well the operator performs under this loan, the advisability of additional Government assistance is open to question.
(4) "Brooks states in his progress report to R.F.C. that the applicant has spent $102,687.64 of a $125,000 development loan originally made to provide for production of beryl. The report states that the total mica production since the loan was approved is valued at $67,200. The report mentions absolutely no production of beryl.

7/16/52 Memo from Norton of USGS.
"I am writing this memorandum to express my own rather strong opinions on this project so that you will have a written statement of my views for whatever use they may be to you while I am away from Washington...."
"This deposit has been thoroughly studied, and the large mass of data available indicated to me that a $125,000 loan for reworking the dump would be too large...."
"Regardless of whether or not this company mines the dump or mines pegmatite, I still think there is only a small chance that the loan can be repaid...." "If however, D.M.E.A. makes an exploration grant, it could have the appearance of throwing good money after bad". "Under these circumstances I question the desirability of considering an exploration application for work on this property until the applicant has demonstrated by his performance on the D.M.P.A. loan that he is worthy of further Government assistance."

7/16/52 Letter from A. E. DeCelles, Mining Engineer, R.F.C. transmitting copy of Progress Report dated 7/9/52. Total of $102,687.64 has been disbursed on $125,000 commitment; $62,687.64 for machinery and equipment, $40,000 for operating expenses. Repayment is scheduled to start 10/7/52 at rate of $3,000.00 per month. Discovery of a new mica vein is reported, of such quality that the company has been able to go into immediate production of sheet mica. Value of sheet mica is estimated at $36,000 and hand cobbed mica at $31,200. "The company is now employing 47 cutters and will step that up when they start to realize on the mica now cut." "It is to be noted that while the present program varies from that originally contemplated it will materially enhance the borrower's prospects for success.." The companys management, though inexperienced is aggressive and their technologist, a recent mining school graduate, is thought highly of by the local representatives of the Bureau of Mines and Geological Survey."

7/30/52 Memo from A. J. Kauffman, Jr., U.S.B.M. recommends field examination. "The record of the deposit does not seem to warrant extensive operations for beryl alone; however, other minerals, in particular strategic mica, may be discovered.

8/5/52 Referred to field team, with request for a more reasonable exploration program.

9/15/52 Letter to Region II "On Saturday, Sept. 13, a diamond drill hole contacted the new N.W. Pegmatite body at a depth of 210 feet below existing surface workings or

65 feet below the existing No. 5 level...." "The core recovery was about 50% and this showed 10" of mica and beryl pegmatite and 43" of alteration zone. Pieces of beryl and mica could be seen in the core that was recovered.

9/17/52 Region II transmits field reports dated 9/11/52 by E. A. Magill, U.S.B.M. and V. C. Fryklund, Jr., U.S.G.S., recommending two diamond drill holes to cut new pegmatite at No. 5 level and 120 feet beneath it, and two holes to cut the East and West pegmatites at approximately 120 feet below the No. 5 level. If the first hole on the new pegmatite was favorable, a heading would be driven from the No. 5 adit to the new pegmatite. "Inasmuch as the winter season is fast approaching, the Field Team recommends that every consideration be given to expediting final processing of this application."

9/26/52 Field Team report reviewed by Operating Committee.

10/8/52 Memo from Kauffman, U.S.B.M. "The examination indicates substantial mica and little beryl. The docket, therefore, should be considered by the Commodity Group concerned with mica.

"In the interest of finding new beryl occurrences, it is recommended that Stage I (4 diamond drill holes as indicated) be approved."

10/16/52 Memo from Chief Counsel to Administrator regarding $125,000 R.F.C. loan; "the signing of this contract need not be delayed to make mention in Article 2(a) of any formal subordination agreement, if one is required. However, the executed document should not be delivered to the operator until after receipt of a favorable response from the R.F.C. and the operator should be given to understand that the contract will not be in effect until its delivery to him."

10/17/52 Memo from Van Alstine, U.S.G.S. suggests that field be heard from regarding memos from Weiss and Norton of 7/16/52 and letter from Operating Committee to Region II dated 8/5/52. Questions need for drill holes No. 1 and No. 2 since the applicant has already drilled a hole intersecting the new pegmatite about half way between them on the dip. "As for the advisability of drilling proposed holes 3 and 4 on the East and West pegmatites, I believe that Comment No. 1 in Weis' memorandum of July 16, 1952, should be considered and evaluated or rebuffed by the field team." Mentions fact that field team engineer's and geologist's reports do not coincide as to amount of drifting and cross-cutting and number of cross-cuts.

10/20/52 Letter from R.F.C. stating applicant secured a loan in amount of $125,000 repayable $3,000 monthly including interest beginning October 7, 1952, plus annual principal payments each in amount by which 50% of earnings during preceding fiscal year exceeds the amount of monthly principal payments during year. Maturity April 7, 1956. R.F.C. is unwilling to subordinate its mortgage to lien under proposed exploration contract.

10/24/52 See memo to Administrator from Deputy Administrator.

11/10/52 Original and 5 copies of exploration contract Idm-E426 sent to Idaho Beryllium and Mica Corporation, Deary, Idaho, for signatures.

11/17/52 Received memorandum to A. E. Weissenborn, from W. P. Puffett, USGS, relative to company's work on rehabilitating No. 5 level adit. Track laid 249.5 feet from portal. 4 men currently employed. Work started October 31, 1952.

12/12/52 Copies of Amendment No. 1, dated December 2, 1952, received by Chairman of Operating Committee.
Amendment No. 1 limits the minerals subject to production royalty below a plane at altitude 4290 feet together with all minerals extracted through Tunnel No. 5.

12/23/52 Received report of first inspection by E. A. Magill, USBM. Checked the rehabilitation work. Crosscut advanced 12 feet from Survey Station USBM #200 on a bearing of N 22 E from a point 329.5 feet from the No. 5 level portal.

12/31/52 Memorandum from Chief Counsel to Administrator stating that Amendment No. 1 of contract would not have been approved if it had first been submitted to Legal. Suggests some remedies to his objections to the Amendment.

1/19/53 Received memorandum on routine inspection by W. S. Anderson, USBM. Crosscut now advanced 62 feet beyond survey point #200.

2/16/53 Received memorandum from Willard P. Puffett, USGS, on work, also map, drift now 138 feet beyond survey point #200. No evidence of pegmatite so far. Received memorandum from W. S. Anderson, USBM. Routine inspection of January 30, 1953. Drift in 179 feet beyond point #200.

3/2/53 Letter to Mr. A. E. Weissenborn, Executive Officer, Region II, from Operating Committee advising him that he lacked authority to sign Amendment No. 1. A request is made for justification for Amendment No. 1 so that Legal may prepare necessary amendment to be executed by the Administrator and Operator.

3/6/53 Operator requested to provide information on production extracted through the No. 5 level adit.

3/17/53 Received letter dated March 11, 1953, from Mr. Weissenborn, Region II. Letter explains his reasons for signing Amendment No. 1 and justification for so doing.

3/16/53 Routine Inspection Report by W. P. Puffett. Drift now in 276 feet. No pegmatite. Sent map of drift. Inspected March 3, 1953.

3/20/53 Diamond drilling started from No. 5 level stations. Vivian Brothers, Drilling Contractors.

3/23/53 Memorandum L. G. Houk to Chief Counsel recommending the approval of Amendment No. 1 as executed by Region II.

3/27/53 Received original and two signed copies of Amendment No. 2. An amendment to permit diamond drilling from No. 5 level. Amendment No. 2 sent to John A. Carver, Jr., of Corporation, Boise, Idaho.

4/1/53 Letter sent to Weissenborn in which Administrator approves Amendment No. 1.

4/3/53 Four drill holes 1U, 2U, 3U, and 5U completed and described by Puffetts memorandum of 4/7/53.

4/20/53 Operator in letter to Weissenborn requests permission to drill two new surface holes to further test "New" pegmatite.

4/30/53 Nonmetallic Minerals Division approves Amendment No. 2 as submitted.

5/4/53 W. S. Anderson, USBM, sent in routine inspection report. Described holes 4U, 6U, 7U, 8U, and one surface hole - Hole No. 9.

5/6/53 Weissenborn in letter to Operator authorizes extension of DMEA drift on No. 5 level to get under "New" pegmatite.

5/7/53 Date of letter application to A. E. Weissenborn from Mr. Lee J. Mason, President, making a request for new project work to be performed below the No. 5 level.
Project, if approved, would add $42,609.40 to original contract amount. Work would consist of:

Shaft 150 ft. @ $160.37/ft.	$19,244.40
Drifts & X-cuts 500 ft. @ $42.83/ft.	21,415.00
Timbering 300 ft. @ $6.50/ft.	1,950.00
Total	$42,609.40

6/1/53 Amendment No. 3 - An extension of time of completion of contract - four more months.

6/4/53 Memorandum from Mr. Weissenborn enclosing above-mentioned proposal and submitting his comment on same.

6/4/53 Received memorandum dated June 1, 1953, by W. P. Puffett, Geologist, USGS. The report favors the extension of project work below No. 5 level as requested by the Operator.

6/12/53 Memorandum from D. M. Larrabee, USGS, recommends a denial of proposed project below No. 5 level.

6/15/53 Operating Committee sends letter to Executive Officer, Region II, requesting an evaluation and more information with respect to work done to date and whether they have any comment on the possibilities of a discovery.

6/15/53	Region II authorized to extend completion date by amendment.
6/15/53	Operator requests an amendment to contract to permit raising on "New" pegmatite from No. 5 level.
6/22/53	Date of Amendment No. 4. Permits raise mentioned above.
6/24/53	Received letter from Field Team reporting unexpended funds of $4,355 and suggests that this remainder be utilized to do the work of raising on "New" pegmatite.
7/6/53	Robert Lawthers, USGS, recommends denial of raise proposal.
7/6/53	Received routine inspection report from W. S. Anderson, USBM.
7/8/53	Weissenborn to Selfridge - A letter 6/25/53 stating that a memorandum was being prepared evaluating the entire DMEA exploration for the purpose of reaching a decision on the Operator's proposed project below the No. 5 level.
7/9/53	Teletype - A. E. Weissenborn to Geo. C. Selfridge, requesting a decision on Amendment No. 4.
7/10/53	Amendment No. 4 approved today and Weissenborn so advised.
7/10/53	Original and 5 copies of Amendment No. 4 sent to Weissenborn, Region II.
7/10/53	Memorandum from Dietrich, approves Amendment No. 4 to permit raising from No. 5 level.
7/11/53	Memorandum from Willard P. Puffett. This is an inspection report of his visit to mine June 24 and 25. The report gives a comprehensive account of the work to date and his evaluation. It is a summary of the work and includes a good plan map and two sections. Puffett favors the proposed project below the No. 5 level.
7/28/53	Administrator sends Weissenborn a teletype message authorizing a correction to the wording of Annex 2 attached to Amendment No. 4. "In line 9 after land...except the area exempt in Amendment No. 1".
7/30/53	Received executed copies of Amendment No. 4 from Region II.
7/30/53	Inspection report from Puffett of his visit July 29, 1953. He describes a small mica showing in the raise at 33 feet above the No. 5 level. Also tells of new surface discovery by company 200 yards south of any previously known pegmatite. However, mica is of poor quality.
8/3/53	Administrator addressed a letter to A. E. Weissenborn relating that all mica that is removed through Tunnel on No. 5 level after Amendment No. 4 is subject to royalty payments whether produced by company account or DMEA contract. Also, with reference to Operator's request of May 7, 1953, will be given favorable consideration only if corporation willing to pay royalty on all production from the mine.
8/4/53	Memo Weissenborn to Selfridge. This is a two page discussion of Field Team's views in favor of the proposed project below the No. 5 level. Also discusses Mr. Puffett's report of June 30, 1953 on the same subject

8/18/53 D. M. Larrabee, USGS, submitted a memorandum, 8/17/53, in which he recommends a denial of proposed project requested by Operator May 7, 1953, for work below No. 5 level.

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 8/25/53

Copy to: Admr. R. File
Docket File
Mr. Houk

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 7, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since November 7, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	None	Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by: Ida Mica Industrial Minerals, Inc. Weiser, Idaho

Name John F. Brady Title President Gen. Mgr.

Address 108 E Third P.O. Box 72 Date March 6 1962

Re: DMEA-2607 Mica
Contract Idm E 426

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

January 24, 1963

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Mr. John F. Brady
108 E. Third Street
Moscow, Idaho

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 15 1963

DATE		CODE
3/15		800
3/16		100
3/15		~~110~~
	Murphy	500
		520

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/20	Murphy	500
	[illegible]	500
3/20	Talbot	800
	Selfridge	520
3/20	Johnson	110
	G. Fumich	100
EM		520

Mr. John F. Brady
President and General Manager
Ida Mica Industrial Minerals, Inc.
108 E. Third Street
P. O. Box 72
Moscow, Idaho

MAR 20 1963

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Brady:

Thank you for returning the completed MME Form 63's forwarded with Mr. Griswold's letter of January 25, 1963.

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated January 12, 1954, all minerals mined or produced from October 27, 1952, to October 27, 1962, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

Sincerely yours,

George Fumich, Jr.

Director

MMurphy/mm
3/20/63

cc: Director's Reading File
Region (I) (2)
CA&A Division
Docket
Code 500

8623

Re: DMEA-2607

Address should be "Deary, Idaho" per reply to DMME Form 63.

Jan Jan 1963

Talbot

3/20/63

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/24	Talbot	800
	Selfridge	120
1/25	Johnson	110
	Smith	100
		220

JAN 25 1963

Mr. John F. Brady
108 E. Third Street
Moscow, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Brady:

This is in reference to your November 19 letter covering the referenced contract. We beg your indulgence for our delay in replying. Our Solicitor's office is badly overloaded, and matters at times get stacked up.

With reference to your inquiring as to whether this office maintains that we have some claim or continuing interest in the property in question, the question is largely academic. The royalty period expired October 27, 1962, and if you will be kind enough to fill out the Form MMZ 63 for us (3 copies enclosed), we trust that we shall be able to close our books.

Sincerely yours,

W. R. Griswold
mm
W. R. Griswold, Chief
Division of Minerals

Enclosures

WRGriswold/mm 1/24/63
cc: Director's Reading File
Docket
Code 500

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

January 24, 1963

Re: BIEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Ida-E426

Mr. John F. Brady
108 E. Third Street
Moscow, Idaho

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 7, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since November 7, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____		
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

JOHN F. BRADY
ATTORNEY AT LAW
108 E. Third Street
MOSCOW, IDAHO
Telephone TUcker 3-8101
Post Office Box 972

Associate Counsel
ROBERT S. WILLIAMS

OFFICIAL FILE COPY
G. M. E.
RECEIVED NOV 1962

DATE		
11/26	[illegible]	800
		422
	Unpaid	500
11/26	Paid	500

November 19, 1962

INTERIOR DEPT.
NOV. 27 1962
SOLICITOR

Willis R. Griswold, Chief
Division of Minerals
United States
Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Griswold:

I am in receipt of your forms relative to the above property during the past year.

I appreciate that the Idaho Beryllium Mica Corporation evidently entered into a contract with the government for certain work on the above property; however, subsequent to the time that the contract had been entered into and the money expended the Reconstruction Finance Company did foreclose its mortgage and sell said property at public foreclosure sale. At this sale certain individuals purchased the property and received deed from the Reconstruction Finance Company. This group later transferred the property to Ida Mica Industrial Minerals, Inc.

I would like to be advised if it is the position of the Office of Minerals Exploration that said office now has some claim or continuing interest in the property? It would appear that inasmuch as Reconstruction Finance Company foreclosed their mortgage, the foreclosure purchasers would take superior title to that of any then existing lienor.

May I have your comments relative to the above.

Sincerely yours,

John F. Brady

JFB:ebp

RECEIVED
NOV 27 1962
ASSOC. SOLICITOR
MINERAL RESOURCES

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. Associate Solicitor Room 6554		
2.		
3.		
4.		
5.		
FROM: W.R. Griswold - Rm 4455		

FOR: Check items for action desired

____ Action	X Reply for signature of Director DME	
____ Approval	____ Investigate	____ Surname
____ Comment	____ Recommendations	____ Signature
____ Conference	____ Rewrite	____ File
____ Instructions	Your information	

REMARKS:

Will you kindly prepare a letter in answer to Mr. Brady's questions. The forms referred to in the 1st ¶ are MME Form 63, a sample copy is attached for your information.

INT.-DUP. SEC., WASH., D.C. M25803

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since Nov. 7, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since Nov. 7, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____	_____	_____
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

Re: DMEA-2607(M)C9
etc.

Mr. John F. Brady
etc.

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

November 13, 1962

Re: [illegible]-2697 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract [illegible]

Mr. John F. Brady
Ida-Mica Industrial Minerals, Inc.
312 South Washington
Moscow, Idaho

Dear Mr. Brady:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

Willis R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 7, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since November 7, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____	_____	_____
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4522

RK ANALYSIS SHEET - DMEA PROJE

Actual Cost

Certified

Analysis as of 12-2-54

Incl. Voucher for 8-24-53

Agreed Unit C

Idaho Beryllium and Mica Corporation

Docket No. 2609

State Idaho

Commodity Mica

Idn-E No. 426

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	563 ft	$ 19382 50	531 ft	$ 18328 75	18328.75
Raising	43 ft	$ 1367 50	43 ft	$ 1397 50	1397.50
Shafts					
Winzes					
Drilling (Specify) - BX Diamond drilling	1200 ft	$ 5400 00	1200 ft	$ 5023 00	5023.00
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		$ 2550 00		$ 2250 00	$ 2250 00
New Building, Improvements, etc.					
Other (Specify)					
Totals		$ 28700.00		$ 26999 25	$ 26999 25

Prepared by Keating

Royalty due $1329.07

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/4	Griswold	500
12/4	Talbot	800
12/5	GCS	120
		110
		100
		220

DEC 5 1961

Mr. John F. Brady
Non-Metallics, Inc.
312 S. Washington
Moscow, Idaho

Dear Mr. Brady:

Your November 7 letter to Mr. MacLaren has been referred to this office. Concerning the last paragraph, you may be sure that any application for exploration assistance is given our fullest consideration. However, we should point out that should an OME contract be granted and later certified, royalties would have to be paid to liquidate the old DMEA indebtedness as well as new monies advanced by the Government under the OME project.

For your information, we are enclosing a booklet, the regulations, and five copies of the application form.

Sincerely yours,

/s/ George C. Selfridge

Director

Enclosures

WRGriswold/gla
12-4-61
cc to: Director's Reading File
Region I (2)
Docket DMEA-2607, Idm-E426
M&F application information
Code 500

43683

Non-Metallics, Inc.

Mica Products

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 13 1961

DATE	INITIALS	CODE
11/14		800
		500
		50
		220

312 S. Washington, Moscow, Idaho
Th. TU 3-7491
John F Brady, President

November 7, 1961

U. S. Dept. of the Interior
Office of Minerals Exploration
South 157 Howard Street
Spokane 4, Washington
Attention: D. R. MacLaren,
Acting Field Officer

Re: DMEA - 2607 (Mica)
Contract Idm E-426

Dear Sir:

In regard your letter of October 19, 1961, referred to myself by Mr. Orville J. Slette.

The present owner of the Muscovite Mine and adjacent properties is the MICA INDUSTRIAL MINERALS, INC., which is now the name of the company, Inter-western Mica, that the group transferred the properties to after the group of individuals had purchased said properties at the RFC mortgage foreclosure sale in 1957.

To my knowledge, from and after the date of purchase there has been no production, exploration or sale of ore from below the No. 4 level in fact at this time the portal to the No. 5 level is caved and closed.

During the past year a small particle mica recovery was built on the Muscovite mine site. The plant was completed just long enough before the weather arrived to determine capacity and efficiency. We are first going to reclaim scrap from the various mine dumps and then resort to open pit mining on a property south of the Muscovite. We feel that the open pit mining which has been done on the Muscovite in the past, has been so poorly planned and engineered that initially it would be more advantageous to the new properties which are some 200 yards south of the main open pit at the Muscovite.

In as much as there seems to be very few commercial deposits of mica in the Northwest, and a very good market for clean scrap on the west coast, the outlook for a stable operation appears promising.

The company which is making the installation is owned in toto by several local business men and at this time the group has some $94,000.00 invested with no liabilities.

[illegible] considered the possibility of taking an application for [illegible] exploration loan at some time in the future to explore several [illegible] things. I would appreciate your comment as to what might be the [illegible] given to such an exploration loan application.

Very truly yours,

JOHN F. BRADY
President

EXTRA COPY O. M. E RECEIVED NOV 24		
DATE	INITIALS	CC
		700
11/24	gla	500
		220

So. 157 Howard Street
Spokane 4, Washington
November 21, 1961

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior

From: Acting Field Officer, OME, Region I

Subject: DMMA-2607 (Mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-2436

Enclosed is the original of a Report of Royalty Review dated November 15, 1961, for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Muscovite Mine located in Latah County, Idaho, during the period October 12, 1954, through November 9, 1961.

This Report of Royalty Review is for record purposes only and no copy has been provided for the Operator.

D. R. MacLaren

Enclosure

MLSmelser:mls
cc: CA&A Div., OME
OME
Reading copies to:
Nolan
Robbs
Guild

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

NOV 15 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMRA-2607 (Mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

The original and one copy of a Report of Royalty Review covering the subject contract are attached. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Attachments

EDTalbert/ama
November 15, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1961

DATE	INITIALS	CODE
		~~140~~
10/30	~~[illegible]~~	500
~~10/31~~	~~Murphy~~	~~800~~
		220

Cy to 800

P.O. Box 187
Deary, Idaho
October 20, 1961

U.S. Dept. of the Interior
Office of Minerals Exploration
So. 157 Howard St.
Spokane 4, Washington

Attention: D. R. MacLaren, Acting Field Officer.

Re: ~~DMEA-2607~~ (Mica) Idaho Beryllium

Dear Mr. MacLaren:

Receipt of your letter of October 19, 1961 regarding the Muscovite mine is hereby acknowledged.

The property was sold to Western Mica Corporation in 1958. The controlling interest of Western was sold in 1960 and the named changed to Ida-Mica Industrial Minerals, Inc. whose address is 312 South Washington, Moscow, Idaho. Your letter is being referred to that organization for reply.

I trust that this will meet your approval.

Very truly yours,

Orville J. Slette

Orville J. Slette

C A & A Div

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 23 1961

DATE		CODE
10/23		800
"	Received	700
10/24	Murphy	500
		220

x So. 157 Howard Street
Spokane 4, Washington
October 19, 1961

Mr. Orville J. Slette
P. O. Box 176
Deary, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Slette:

In order that we may bring our records of production from the Muscovite mine up-to-date we would appreciate receiving the following information:

1. Has any production or sale of ore been made since June 1957? If so, could you break down the figures to show production and/or sale of ore that came from above and below the No. 4 level, to whom the ore was sold, and its value?

2. Have you sold the property and, if so, when and to whom?

The Office of Minerals Exploration is the successor to the Defense Minerals Exploration. Production records form one of the best bases upon which we can evaluate the success of the DMEA-OME program.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: CA&A Div.; OME; CPF
Reading copies to:
Nolan
Hobbs
Guild

rm 7
8)

OFFICIAL FILE COPY

Date	Surname	Code
10/10	gad	220

OCT 10 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since December 1954. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
October 9, 1961

Copy to: Docket
Director's Reading File
CA & A Division

43683

LAW OFFICES
CARVER, McCLENAHAN & GREENFIELD
BANK OF IDAHO BUILDING
BOISE, IDAHO

JOHN A. CARVER, JR.
DON J. McCLENAHAN
GEORGE A. GREENFIELD

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 30 1960

DATE	INITIAL	
12/30	CAC	210
12/30	CAC	800
1/3/61	[illegible]	500
		220

December 21, 1960

United States Dept. of the Interior
Office of Minerals Exploration
So. 157 Howard Street
Spokane 4, Washington

Attention: D. R. MacLaren
Acting Field Officer

Dear Mr. MacLaren:

Re: Your file DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

The Idaho Beryllium & Mica Corporation, an Idaho corporation, forfeited its charter on December 2, 1957. During the summer of 1955, the physical assets of the corporation were obtained by the United States Government in foreclosure proceedings. After the foreclosure proceedings the corporation had no assets, and it was determined to abandon it and let the Secretary of State forfeit its charter.

It is our understanding that the assets taken under the foreclosure proceedings by the United States Government have been sold.

Very truly yours,

CARVER, McCLENAHAN & GREENFIELD

By

RECEIVED
DEC 27 1960
U. S. G. S.
SPOKANE, WASH.

DJM/th

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

So. 157 Howard Street
Spokane 4, Washington
December 13, 1960

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 16 1960

DATE		CODE
12/16	cac	210
12/16		800
"	~~Received~~	500
		220

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Enclosed are three Thermofax copies of a letter dated December 8, 1960, from the Corporation Clerk, Office of the Idaho Secretary of State, regarding the corporate status of the referenced company. The only other answer to the four questions I asked in my letter of November 23, 1960, is that the Secretary-Treasurer at that time was John A. Carver, Jr.

Mr. Carver is presently secretary to Senator Frank Church. However, I have written to him as secretary-treasurer of the corporation at Box 2574, Boise, Idaho. If I do not receive a reply, perhaps you can get in touch with him in Washington.

D R MacLaren
D. R. MacLaren

Enclosures
cc: CPF
Director
Econ. Geol.
B&FM

Mre(3)

No. 157 Howard Street
Spokane 4, Washington
December 13, 1960

Air Mail

Mr. John A. Carver, Jr.
Idaho Beryllium and Mica Corp.
P. O. Box 2374
Boise, Idaho

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Ida-2426

Dear Mr. Carver:

In order to bring our records on the referenced corporation up-to-date it would be most helpful if you would furnish us with the following information:

1. Has the corporation been dissolved or declared bankrupt and, if not, is it solvent or insolvent?

2. If the corporation has been dissolved, was there any distribution made of corporate assets?

3. If declared bankrupt, when and by what court?

4. What are the names and addresses of the present or last officers?

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OME
Region I

cc: OME(3)
CPF
Director
Econ. Geol.
BAFM

MEMBER OF
STATE BOARD OF EXAMINERS
STATE LAND COMMISSIONERS
STATE BOARD OF FORESTRY
STATE BOARD OF ELECTIONS

ARNOLD WILLIAMS
SECRETARY OF STATE

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE

BOISE

One (3)

December 8, 1960

Mr. D.P. MacLaren
Acting Field Officer, OME
Region I
So. 157 Howard Street
Spokane 4, Washington

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp
Muscovite Mine, Lata County
Idaho - Contract Idam-E426

Dear Mr. MacLaren:

We regret the error made in furnishing your [illegible] information as to present status of IDAHO BERYLLIUM [illegible] CORPORATION.

This corporation was formed July 7, 1950 and [illegible] maintain good standing as a corporation to June 30, 1957 [illegible] last annual statement filed by that company was filed [illegible] June 29, 1956 and [illegible] the corporation in good standing [illegible] June 30, 1957. Report was filed by John A. Carver, Jr., [illegible] Treasurer, P.O. Box 2574, Boise, Idaho.

The corporation failed to file its renewal [illegible] prior to November 30, 1957 and on December 2, 19[illegible] forfeiture of charter was made. No reinstatement of charter [illegible] show that [illegible] and our records show the [illegible] forfeited as of December 7, 1957.

Yours very truly,

ARNOLD WILLIAMS
Secretary of State

By
Corporation Clerk

ah

The corporation above referred to had its principal place of business at Caldwell, Idaho. We did have a corporation named IDAHO BERYLLIUM CORPORATION with principal place of business at Dvar, Lacah County, Idaho, which incorporated Sept. 14, 1937. However, this last named corporation forfeited its charter [illegible] November 1, 1939.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 8 1960

DATE	INITIALS	CODE
12-8	gad	220
12/8		800
"	Grimsdale	500
		220

So. 157 Howard Street
Spokane 4, Washington
December 5, 1960

Honorable Arnold Williams
Secretary of State
The State of Idaho
Boise, Idaho

Attention: Miss Marilyn Campbell
Ass't. Corporation Clerk

Re: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Ida-E426

My dear Mr. Williams:

Thank you for your prompt reply to our letter of November 23, 1960, regarding the status of Idaho Beryllium & Mica Corporation.

This corporation as a former DMEA contractor is liable for certain indebtedness to the Federal Government. Of course, collection could be enforced only in the event that it is or becomes solvent. It is for this reason that we have periodically requested your office for information regarding the corporation's status. In a letter dated January 18, 1956, addressed to Wing G. Agnew, U. S. Bureau of Mines, 1201 N. Division Street, Spokane 2, Washington, the then Corporation Clerk, Office of the Secretary of State, State of Idaho, stated that the corporation was in good standing until the end of the fiscal year, June 30, 1956. However, in a letter dated December 1, 1960, the present Assistant Corporation Clerk advises us that the corporation forfeited its charter on December 19, 1951, and that no reinstatement has been made since that date.

As our dealings with the corporation extended through 1954, and in view of the discrepancy in the information given in the two letters just mentioned, it would be greatly appreciated if you would have a recheck of your corporate records made to verify the status of the corporation.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3) w/cys incoming; Econ. Geol.
Director; B&FM; CPF

MEMBER OF
BOARD OF EXAMINERS
LAND COMMISSIONERS
STATE BOARD OF FORESTRY
STATE BOARD OF ELECTIONS

ARNOLD WILLIAMS
Secretary of State

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE

BOISE

December 1, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 8 1960

DATE	INITIALS	CODE

UNITED STATES DEPARTMENT OF THE INTERIOR
Mr. D. R. MacLaren
Acting Field Officer, OME
Section I
[illegible] Howard Street
[illegible], Washington

Dear Sir:

The records of this office disclose:
IDAHO BERYLLIUM & MICA CORPORATION (Caldwell, Idaho)
incorporated July 7, 1956, forfeited its charter on
December 1, 1959 because of failure to renew its annual license
tax. No reinstatement has been made since that date.

Yours truly,

ARNOLD WILLIAMS,
Secretary of State

By

Assistant Corporation Clerk

One (3)

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1960

DATE	INITIALS	AMT.
11-28	gad	200
11/28	[illegible]	800
"	Received	500
		220

No. 157 Howard Street
Spokane 4, Washington
November 23, 1960

Secretary of State

Boise, Idaho

Re: IMMA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Ida-2426

Dear Sir:

It would be greatly appreciated if you would furnish us with the following information concerning the Idaho Beryllium and Mica Corporation, Deary, Idaho:

(1) Is the Corporation currently in good standing, or has it been dissolved or declared bankrupt?

(2) If in good standing, is the Corporation solvent or insolvent?

(3) If the Corporation has been dissolved, what, if any, distribution of corporate assets was made? If declared bankrupt, when and in what court?

(4) What are the names and addresses of the present, or last officers?

The above information will greatly help us to establish the present status and liability of the Corporation for royalty due the Government.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3)
Director
Econ Geol
BAFM
CPF

E Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/9	Talbert	800
	Arnold	500
	Hernon	
	McPhillamey	140
	Asst. Sol.	140
11/15	GS	130
"	Johnson	110
		220

R

INTERIOR DEPT
NOV 9 1960
SOLICITOR

NOV 15 1960

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Please accept my apology for the delay in replying to your September 20 memorandum of inquiry regarding royalty liabilities under the subject contract. The delay has been due to the necessity of a review of the files and consultation with representatives of the Office of the Solicitor.

The DMEA Operating Committee advised Mr. Weissenborn by letters dated November 15, 1955, and October 30, 1956, that the purchaser of the property under the contract would take such property free and clear of the lien established by article 6(c) of the exploration project contract. However, our review has disclosed the possibility that this may not be entirely true. Accordingly, in the event there is production from the property prior to the expiration of the repayment period (October 27, 1962), demand should be made on the property owner for payment of the percentage royalty.

Furthermore, although the Operator (Idaho Beryllium and Mica Corporation) was insolvent at the time of the foreclosure and its royalty indebtedness was deemed uncollectible at that time, it remains liable for that indebtedness of $1,329.07 and also any royalty on future production prior to October 27, 1962. Of course, collection can be enforced against the Operator only in the event that it is, or becomes, solvent.

The U. S. Attorney, Boise, Idaho, stated in a December 8, 1955, letter to the Department of Justice that the Idaho Beryllium and Mica Corporation had no assets and its attorney had advised that it was no longer doing business. However, the Corporation Clerk, Office of the Secretary of State, State of Idaho, Boise, Idaho, informed Mr. Agnew in a January 18, 1956, letter that the corporation

RECEIVED
NOV 9 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

43683

was in good standing until June 30, 1956, the property was non-productive, and the officers were:

Leo J. Mason, President, Caldwell, Idaho
Samuel A. Swayne, Vice-President, Nampa, Idaho
John A. Carver, Jr., Secretary, Box 2574, Boise, Idaho

In order to establish in our records the present status and liability of Idaho Beryllium and Mica Corporation, it is requested that you make appropriate inquiry of both the Office of the Secretary of State, State of Idaho, and the corporation's secretary. The information we wish to establish is:

(1) Whether the Corporation is currently in good standing, or has been dissolved, or declared bankrupt;
(2) If in good standing, whether solvent or insolvent;
(3) If dissolved, whether or not there was any distribution of corporate assets;
(4) If declared bankrupt, when and by what court; and
(5) The names and addresses of the present, or last, officers.

George C. Selfridge

EDTalbert/ama
November 8, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

Soc R
11-4-60

11-2-60

Memorandum

RECEIVED
NOV 4 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

To: Solicitor

From: Acting Director

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Your October 28 memorandum, in reply to the September 23 request for an opinion on the September 20 inquiry from the Acting Field Officer, Region I, suggests referral, in accordance with the Comptroller General's July 1, 1958, decision (B-136448), of the matter of a possible claim for future royalty on production from property under the subject contract. The referenced decision provides that claims for delinquent royalties, administratively determined to be uncollectible, should be reported to the Claims Division of the General Accounting Office under the provisions of 4 GAO 5000 (formerly General Regulations No. 129).

The GAO regulations provide for reporting for further collection action of all debts, of $25.00 or more, determined to be administratively uncollectible. The reports are required to contain a complete statement of the facts and pertinent computations of the indebtedness. Furthermore, if the debt is $75.00 or more, the reports are to be accompanied by copies of all pertinent documents, including correspondence with the debtor.

The regulations further provide that debts shall be determined to be administratively uncollectible only after diligent and maximum collection efforts "commensurate with the circumstances in each case and the cost entailed". However, in promulgating these regulations by Budget and Finance Letter No. 140, dated August 16, 1956, the Department added the provision that "every effort possible shall be made to effect collection" of delinquent items.

The matter under consideration does not appear to be within the scope of the decision (B-136448), the regulations (4 GAO 5000), or departmental procedures. There is no delinquent account receivable of record, no computation of an indebtedness has been made, and no effort has been made to effect a collection.

Note: Withdrawn from Solicitor's files at request of Messrs. McPhillamey and Hemon. See underlining (in blue) in last paragraph of Solicitor's Oct. 28 memo. Talbutt 11/4/60

Furthermore, a review of the docket on the subject contract discloses that under date of November 15, 1955, the DMEA Operating Committee advised the Executive Officer, DMEA Field Team, Region I, as follows:

> "Since the RFC mortgage lien is prior to the DMEA lien, it is apparent that the purchaser of the property at a sale made to satisfy the RFC lien would take the property free and clear of all subsequent liens".

This letter was drafted in the Office of the Solicitor, and the quoted paragraph was reiterated to the same addressee in an October 30, 1956, letter, which also was prepared in the Office of the Solicitor. In addition, the docket contains a transcript of an October 22, 1956, telephone conversation with the Assistant General Counsel of RFC indicating his concurrence with this opinion.

In view of the foregoing facts, reporting to the General Accounting Office does not appear appropriate at this time. Instead, if you concur, we propose to reply to the Acting Field Officer (successor to the Executive Officer), Region I, by referring to the November 15, 1955, and October 30, 1956, letters, and request him to inquire of the Secretary of State, State of Idaho, as to the present corporate status of the Idaho Beryllium and Mica Corporation.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

RECEIVED
NOV 4 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

Memorandum

To: Solicitor

From: Acting Director

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Your October 28 memorandum, in reply to the September 23 request for an opinion on the September 20 inquiry from the Acting Field Officer, Region I, suggests referral, in accordance with the Comptroller General's July 1, 1958, decision (B-136448), of the matter of a possible claim for future royalty on production from property under the subject contract. The referenced decision provides that claims for delinquent royalties, administratively determined to be uncollectible, should be reported to the Claims Division of the General Accounting Office under the provisions of 4 GAO 5000 (formerly General Regulations No. 129).

The GAO regulations provide for reporting for further collection action of all debts, of $25.00 or more, determined to be administratively uncollectible. The reports are required to contain a complete statement of the facts and pertinent computations of the indebtedness. Furthermore, if the debt is $75.00 or more, the reports are to be accompanied by copies of all pertinent documents, including correspondence with the debtor.

The regulations further provide that debts shall be determined to be administratively uncollectible only after diligent and maximum collection efforts "commensurate with the circumstances in each case and the cost entailed". However, in promulgating these regulations by Budget and Finance Letter No. 140, dated August 16, 1956, the Department added the provision that "every effort possible shall be made to effect collection" of delinquent items.

The matter under consideration does not appear to be within the scope of the decision (B-136448), the regulations (4 GAO 5000), or departmental procedures. There is no delinquent account receivable of record, no computation of an indebtedness has been made, and no effort has been made to effect a collection.

Furthermore, a review of the docket on the subject contract discloses that under date of November 15, 1955, the DMEA Operating Committee advised the Executive Officer, DMEA Field Team, Region I, as follows:

> "Since the RFC mortgage lien is prior to the DMEA lien, it is apparent that the purchaser of the property at a sale made to satisfy the RFC lien would take the property free and clear of all subsequent liens".

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MME Form 7
(10-58)

INTERIOR DEPT.
NOV 4 - 1960
SOLICITOR

OFFICIAL FILE COPY

Date	Surname	Code
11/2	Talbert	800
	Arnold	500
		120
		110
		220

Memorandum

To: Solicitor

From: Acting Director

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

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The matter under consideration does not appear to be within the scope of the decision (B-136448), the regulations (4 GAO 5000), or departmental procedures. There is no delinquent account receivable of record, no computation of an indebtedness has been made, and no effort has been made to effect a collection.

43683

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In view of the foregoing facts, reporting to the General Accounting Office does not appear appropriate at this time. Instead, if you concur, we propose to reply to the Acting Field Officer (successor to the Executive Officer), Region I, by referring to the November 15, 1955, and October 30, 1956, letters, and request him to inquire of the Secretary of State, State of Idaho, as to the present corporate status of the Idaho Beryllium and Mica Corporation.

EDTalbert/ama
November 2, 1960

Copy to: Docket
Director's Reading File
CA & A Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

OCT 28 1960

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Solicitor

Subject: Possible claim for past and future royalty on production.
DMEA-2607(Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Reference is made to the memorandum dated September 23, from the Chief, Division of Minerals, to this office enclosing a memorandum of September 20, from the Acting Field Officer, Region I, on this subject.

In the memorandum of September 20, you ask: "Although we apparently have closed the books on the Idaho Beryllium Corporation's royalty account, has the Government any hold on Mr. Sleete, who bought the property at a Sheriff's Sale, or on Mr. Sleete's successor in interest as far as collecting royalty on future production is concerned?"

An examination of the file reveals that the Reconstruction Finance Corporation had a mortgage on the Muscovite Mine of the Idaho Beryllium & Mica Corporation and its equipment which was foreclosed and sold at a Sheriff's Sale to Orville J. Sleete, a former employee of the corporation. According to a letter dated December 18, 1955, from the United States Attorney, Boise, Idaho, the funds received from the sale were insufficient to pay the obligation and the United States holds a deficiency judgment against the corporation for over $20,000.00. It is also stated in the letter that the corporation has no further assets, and their Attorney advises that the corporation is no longer doing business. It further appears that this Department in a letter dated December 29, 1955, advised the Attorney General that we were in agreement with the recommendation of the United States Attorney that the case not be prosecuted further and the account closed.

As you know, the Comptroller General in a decision dated July 1, 1958 (B-136448) held that claims for delinquent royalties on all production under Defense Minerals Exploration Administration Contracts which had been determined to be administratively uncollectible, should be reported to that office for collection.

In the circumstances, it is believed that your office should prepare, if it is considered administratively advisable to do so, a letter to the Comptroller General setting forth the pertinent facts and circumstances with supporting data for consideration and action.

THEODORE F. STEVENS
Solicitor

By: Robert H. McPhillamey
Robert H. McPhillamey
Acting Associate Solicitor
Division of Mineral Resources

Attachment

ME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/23		140

INTERIOR DEPT.
SEP 26 1960
SOLICITOR

September 23, 1960

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: W. R. Griswold, Chief, Division of Minerals

Subject: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

We call your attention to the September 20, 1960, memorandum from D. R. MacLaren. May we have your opinion?

4627

Attachment

RECEIVED
SEP 26 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
September 20, 1960

OFFICIAL FILE COPY O. M. E. RECEIVED SEP 23 1960		
DATE	INITIALS	CODE
9-23	gad	1110
9/29	[illegible]	800
"	Received	500
	~~Act~~	
		225

Memorandum

To: Chief, Division of Operations

From: Acting Field Officer, Region I

Subject: DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

In the September issue of the Engineering and Mining Journal on page 169 appears the statement: "A group of northern Idaho investors headed by John Brady, Moscow Attorney, has purchased the controlling interest in the old Muscovite mine of Western Mica Corp. * * *."

The Muscovite mine was the subject of the exploration program under Contract No. Idm-E426, Docket No. DMEA-2607 (Mica), Idaho Beryllium & Mica Corporation, which was certified January 12, 1954. The date of the contract is October 27, 1952.

Idaho Beryllium & Mica Corporation was unable to repay a Production Loan to the Reconstruction Finance Corporation and was liquidated. The property was sold at a Sheriff's Sale to Orville J. Sleete, a former employee of the corporation. Idaho Beryllium also was in default to DMEA in the amount of $1,329.07 from royalty due on production. This amount was ruled as uncollectible by DMEA as the assets of the corporation were insufficient to satisfy the claims of the R.F.C.

Although we apparently have closed the books on the Idaho Beryllium Corporation's royalty account, has the Government any hold on Mr. Sleete, who bought the property at a Sheriff's Sale, or on Mr. Sleete's successor in interest as far as collecting royalty on future production is concerned?

D R MacLaren
D. R. MacLaren

DMEA
RECEIVED AUG 18 1958
DATE
8/18 H.G. 225
8/18 800
600

So. 157 Howard Street
Spokane 4, Washington
August 15, 1958

Mr. Hugh F. Cheesman, Loan Examiner
Financial Assistance Division
Small Business Administration
Smith Tower
506 Second Avenue
Seattle 4, Washington

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Cheesman:

This is in reply to your letter of August 12 inquiring about the Muscovite mine at Deary, Idaho. We have considerable information on this property as the Idaho Beryllium & Mica Corp. participated in a Defense Minerals Exploration Administration exploration contract which was administered from this office. If your examiner should care to visit us, we would be glad to discuss the property with him informally. The Idaho Beryllium & Mica Corp. was also the recipient of a Production Loan through the Reconstruction Finance Corporation. The corporation was unable to repay this loan and was liquidated. The property was sold at a Sheriff's Sale and was purchased by Orville J. Slette, a former employee of the corporation. The Idaho Beryllium & Mica Corp. was also in default to the DMEA in the amount of $1,329.07 from royalty on mica produced. This has been ruled as uncollectible by the DMEA as the assets of the corporation were insufficient to satisfy the claims of the RFC.

The company produced a substantial quantity of strategic mica and at the time production ceased some reserves of mica remained unmined. Further exploration and development would probably discover additional reserves. The quality of mica produced was acceptable as strategic mica. However, there was considerable controversy between the Operator and the GSA Mica Buying Depot at Custer, South Dakota, regarding the grading of the mica, the Depot not grading as high a proportion as top quality as the Operator felt should have been the case. The Custer Depot should be able to give you complete information on the quality of the mica produced.

It is possible that with careful management and with its indebtedness removed the corporation could operate the property successfully under the current mica program. However, unless extended, the present mica buying program will terminate on June 30, 1962.

Mr. Slette was manager of the property during the time the DMEA was dealing with the corporation. He lacked experience in mica mining, but he undoubtedly learned considerable from his efforts to operate the property. On the whole, he did a fairly creditable job.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: [illegible] (2) w/cy incoming
[illegible] (1) do.

SMALL BUSINESS ADMINISTRATION

SPOKANE, WASH.

August 12, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 18 1958

DATE	INITIALS	

Mr. A. E. Weissenborn
South 157 Howard Street
Spokane 8, Washington

Re: Loan Application
Docket No. L-345,198-SBA

Dear Sir:

We have an application for a loan to the operators of Muscovite Mine at Deary, Idaho.

Mr. Hugo Gunther told us yesterday that you are familiar with the mica mines in the vicinity.

If possible can you give us your impression of the potential of this mine to produce mica of grades or quality acceptable for present Government stock piling of strategic mica? Can you also give us your opinion as to whether the mine, as you saw it, can be operated profitably under present market conditions?

Do you have any knowledge of the ability of Orville J. Slette, who is presently operating the mine?

Your answer will be most helpful in our analysis of the application and any information you can give us will be sincerely appreciated.

Very truly yours,

Hugh F. Cheesman, Loan Examiner
Financial Assistance Division

So. 157 Howard Street
Spokane 4, Washington
August 15, 1958

EXTRA COPY
D M E A
RECEIVED AUG 18 1958

DATE	INITIALS	CODE

Mr. Hugh F. Cheesman, Loan Examiner
Financial Assistance Division
Small Business Administration
Smith Tower
506 Second Avenue
Seattle 4, Washington

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Cheesman:

This is in reply to your letter of August 12 inquiring about the Muscovite mine at Deary, Idaho. We have considerable information on this property as the Idaho Beryllium & Mica Corp. participated in a Defense Minerals Exploration Administration exploration contract which was administered from this office. If your examiner should care to visit us, we would be glad to discuss the property with him informally. The Idaho Beryllium & Mica Corp. was also the recipient of a Production Loan through the Reconstruction Finance Corporation. The corporation was unable to repay this loan and was liquidated. The property was sold at a Sheriff's Sale and was purchased by Orville J. Slette, a former employee of the corporation. The Idaho Beryllium & Mica Corp. was also in default to the DMEA in the amount of $1,329.07 from royalty on mica produced. This has been ruled as uncollectible by the DMEA as the assets of the corporation were insufficient to satisfy the claims of the RFC.

The company produced a substantial quantity of strategic mica and at the time production ceased some reserves of mica remained unmined. Further exploration and development would probably discover additional reserves. The quality of mica produced was acceptable as strategic mica. However, there was considerable controversy between the Operator and the GSA Mica Buying Depot at Custer, South Dakota, regarding the grading of the mica, the Depot not grading as high a proportion as top quality as the Operator felt should have been the case. The Custer Depot should be able to give you complete information on the quality of the mica produced.

It is possible that with careful management and with its indebtedness removed the corporation could operate the property successfully under the current mica program. However, unless extended, the present mica buying program will terminate on June 30, 1962.

Mr. Slette was manager of the property during the time the DMEA was dealing with the corporation. He lacked experience in mica mining, but he undoubtedly learned considerable from his efforts to operate the property. On the whole, he did a fairly creditable job.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: DMEA (2) w/cy incoming
DGM (2) do.

SMALL BUSINESS ADMINISTRATION
SMITH TOWER
SEATTLE 4, WASHINGTON

August 12, 1958

USE EXTRA COPY
DUE ADVANCE
RECEIVED AUG 18 19
DATE | INITIALS

Mr. A. E. Weissenborn
South 157 Howard Street
Spokane 8, Washington

Re: Loan Application
Docket No. L-345,198-SEA

Dear Sir:

We have an application for a loan to the operators of Muscovite Mine at Deary, Idaho.

Mr. Hugo Gunther told us yesterday that you are familiar with the mica mines in the vicinity.

If possible can you give us your impression of the potential of this mine to produce mica of grades or quality acceptable for present Government stock piling of strategic mica? Can you also give us your opinion as to whether the mine, as you saw it, can be operated profitably under present market conditions?

Do you have any knowledge of the ability of Orville J. Slette, who is presently operating the mine?

Your answer will be most helpful in our analysis of the application and any information you can give us will be sincerely appreciated.

Very truly yours,

Hugh F. Cheesman, Loan Examiner
Financial Assistance Division

CENTRAL FILE COPY
DMEA
RECEIVED JAN 27 1958
DATE | INITIALS | COPIES
1-28 | C | 220
28 | Com | 100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1957

Date of report: December 20, 1957

Operator: Idaho Beryllium & Mica Corporation
Deary, Idaho

Mine name: Muscovite

County and State: Latah County, Idaho

Docket number and commodity: DMEA-2607 (mica)

Contract number: Idm-E426

Property inactive. No change in royalty status since report of January 1 to June 30, 1956.

The mine and the equipment on the property were sold at a Government auction sale in June 1957 to recover an RFC loan. Most of the equipment was purchased by Mr. Orville Slette, Deary, Idaho, former manager of the now defunct corporation.

The DMEA loan is considered unrecoverable.

Signed: Galen G. Waddell (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1957 Date of exam: June 3, 1957

Operator: Idaho Beryllium & Mica Corp., Deary, Idaho

Mine name: Muscovite

County and State: Latah County, Idaho

Docket number and commodity: DMEA-2607 (mica)

Contract number: Idm-E426

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 11 1957

DATE	INITIALS	CODE
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1V	Com	100

Project inactive. The status remains the same as reported for the period of January 1 to June 30, 1956.

Mr. Richard Lockner of Deary, Idaho, is custodian of the property for the RFC and is living at the mine. The equipment is to be sold at an auction this summer but the exact date is not known. Some of the equipment was damaged by the heavy snow and a spring mud flow. The road to the mine is in fair condition.

Mr. Orville Slette, an official of Idaho Beryllium & Mica Corp., has been developing a muscovite prospect near this mine and intends to bid on the RFC equipment at the sale.

The following article appeared in the Spokesman-Review on June 20:

"The federal government's extended control of mica mining operations in the Deary area of eastern Latah county was relinquished today with sale of buildings, mining lands and equipment during an auction at Deary. Chief purchaser of the holdings was Orville Slette, Deary, former manager of the now defunct Idaho Beryllium and Mica Corporation.

"The government auction came about as a result of foreclosure by the Reconstruction Finance Corporation on a $123,000 loan to the Idaho beryllium firm in 1955. The auction realized 'between $35,000 and $40,000 to RFC,' Harry Cockrum, Portland, Oregon, field representative, said. The sale was handled in 'piecemeal' fashion after unit bids were ' considered too low to be acceptable,' Cockrum explained."

Distribution:
DMEA (4) USBM (AD)
USGS (2) USBM (2)

Signed: J. D. Bardill (Engineer)

LIQUIDATION SALE

Another ROSEN PUBLIC AUCTION

VALUABLE MINING REAL ESTATE BUILDINGS, MINING AND MILLING MACHINERY AND EQUIPMENT TRACTORS OFFICE EQUIPMENT BUNKHOUSE AND KITCHEN EQUIPMENT

Ordered sold by the R F C Assets formerly property of

IDAHO BERYLLIUM AND MICA CORPORATION

Sale will be conducted from catalog on premises at the Main office and Warehouse in

DEARY IDAHO

2607

WED., JUNE 19, 1957, 10 A.M. (MST)

Offered in Entirety, Units, and Lots

MACHINERY: Deanza 35" mill, Deanza apron feeder Holland 33 x 10' apron feeder, Sweaco 48" separators, Dragline donkey Humphrey concentrator Johnston turbine pumps; steel ore cars Ingersoll Rand compressor Symons blowers and crushers Cedar Rapids screen; drills pumps settling tanks hoppers conveyors blasting machines, jack hammers, etc., etc

AUTOMOTIVE: Caterpillar tractors with dozers M M tractor with shovel loader, Willys Jeep and Station Wagon, GMC truck snow plow

MISC. EQUIPMENT Sperry power plant Kohler light plant Westinghouse transformers, 6000 ft. 4" water pipe, 7" and 9" culvert [illegible] asst elec motors and parts, storage tanks hand tools belting welders burrows grading tables scales, burners heaters, scrap and salvage, etc etc

OFFICE: Typewriters adding machines, desks, chairs time clocks files etc etc

KITCHEN AND BUNKHOUSE Ranges sinks cabinets refrigerators heaters misc. bunkhouse furnishings etc etc

REAL ESTATE: Approx 129 acres, 80 83 classed as reproduction land 48 72 as mineral land, all patented includes Muscovite and Lawrence mines Reputed to be one of largest mica producing operations in country also alleged to contain valuable future mining potentialities Buildings 16 structures at mine site aluminum and concrete block construction, all in excellent condition Offices and living quarters well built, comfortable well heated

FINANCING: Terms available to responsible individuals for bids on property in its entirety or on real estate only For information contact the Auctioneer, or H B. Cockrum, R. F. C., 454 Pittock Block, Portland 5, Oregon

INSPECTION:

Monday and Tuesday June 17 and 18 from 9 a m to 4 p m.

TERMS:

25% Deposit in cash or cashier's check made payable to Ralph Rosen Associates balance to be paid at a time to be announced by auctioneer Sales subject to confirmation of RFC within 10 days of date of sale Complete terms and conditions will be posted at sale site

RALPH ROSEN ASSOCIATES
AUCTIONEERS REAL ESTATE BROKERS APPRAISERS
DAVIS BLDG. 1309 MAIN DALLAS, TEX.
Phone Riverside 7-7148

From:
The Mining Record
Denver, Colorado
Volume 68, No. 23
Thursday June 6, 1957

RECEIVED
JAN 22 1957
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1956 Date of exam: Jan. 9, 1957

Operator: Idaho Beryllium & Mica Corp., Deary, Idaho

Mine name: Muscovite

County and State: Latah County, Idaho

Docket number and commodity: DMEA-2607 (mica)

Contract number: Idm-E426

Project inactive. The status remains the same as reported for the period of January 1 to June 30, 1956.

Signed: M. R. Lickes (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

Rubin
Sawyer
Houk
Talbert
Selfridge
Kilsman
Weissenborn

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

140

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

OCT 30 1956

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-2426

Dear Mr. Weissenborn:

Reference is made to your letter of October 9, 1956, to the Operating Committee asking whether the DMEA lien on the land and production is still in effect under the subject contract.

In the Operating Committee's letter to you dated November 15, 1955, it was stated that "Since the RFC mortgage lien is prior to the DMEA lien, it is apparent that the purchaser of the property at a sale made to satisfy the RFC lien would take the property free of all subsequent liens."

Although the Operator remains liable for the royalty even though DMEA has no liens, based upon information from the Department of Justice that DMEA's claim is uncollectible and the recommendation of that Department that DMEA's account be closed out as uncollectible, the Solicitor informed the Attorney General in a letter dated December 29, 1955, that our account for royalty under the subject contract was closed. A copy of this letter was sent to you, and the same information was restated in the Operating Committee's letter to you dated January 6, 1956.

The Treasury Department is aware of the DMEA rights to royalty, and presumably will take them into account when disposing of the property.

HCRubin/wog - Oct. 25, 1956
Copy to: DMEA Docket
Adm. Read. File
Oper. Com.
THKiilsgaard, 5222
WFDeatrich, 3061
LGHouk (2)
Mr. Samuel M. Weinstein, Asst. Gen. Counsel, RFC

Sincerely yours,

JLChambers
RPDwyer
HCRubin
Pending
Chron.

George C. Selfridge (by esf)
Chairman, Operating Committee

APPROVED:

P. F. Yopes (noted by esf)
Member, Bureau of Mines

Thor H. Kiilsgaard (by esf)
Member, Geological Survey

FROM SOLICITOR
OCT 26 1956
FOR SIGNATURE

R.G.R.

DMEA-2607-Mica✓ October 22, 1956
Idaho Beryllium and Mica Corp.

Conversation held today between Mr. L. G. Houk and

Mr. Samuel M. Weinstein
Assistant General Counsel, R.F.C.
811 Vermont Avenue N. W.
Washington 25, D. C.

in which Mr. Weinstein stated that in his opinion the DMEA had no lien on future production after passing of the title to the new owner. Mr. Weinstein asked that he be provided with a copy of our reply to Mr. Weissenborn, DMEA Field Team, Region I.

Mr. Weissenborn was in the office today and we explained that we had no lien on future production against the property but that the Operator, Idaho Beryllium and Mica Corp. were liable for past production and any future production.

Copy of letter to Mr. Weissenborn (written 10/25/56) sent to Mr. Samuel M. Weinstein and addressed as above.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
OCT 12 1956

October 9, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

Attached are two copies of a memorandum from D. R. MacLaren concerning a conversation he had in my absence with Otis J. King of the RFC regarding royalty due the Government on past and future production from the property. Idaho Beryllium & Mica Corp., as you know, is insolvent and the property is being offered for sale by the Government. It was, I believe, sold at a sheriff's sale before and was bought in by GSA to protect the Government's interest. The Government apparently now has a bona fide buyer.

The question is whether after the sale the DMEA lien on production would still be in effect or whether the buyer would receive the property free and clear of all indebtedness including the DMEA lien and the amount still due on past production.

MacLaren was at a loss to give a definite answer and I confess that I am too.

Sincerely,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosure

cc: USBM (2) w/encl.
USBM (AD) "
CPF

RECEIVED
OCT 1 3 1956

xxxxxxxxxxxxxxxxxx
No. 157 Howard Street
Spokane 4, Washington

October 9, 1956

MEMORANDUM

To: Executive Officer

From: D. R. MacLaren

Subject: Docket No. DMSA-2007 (Mica), Idaho Beryllium & Mica Corp., Muscovite Mine, Latah County, Idaho, Contract No. Ida-3426

Otis J. King, Supervisory Field Representative, Reconstruction Finance Corporation (454 Pittock Block, Portland 5, Oregon, tele: CApitol 3-6171, Extension 450), called at the office Thursday afternoon October 4, 1956 regarding status of DMSA lien on ores, broken and unmined, on the Idaho Beryllium & Mica Corporation property. Apparently the Solicitor has recommended to the Attorney General that the DMSA claim against the Company, which is now insolvent, be dropped, and the account closed as uncollectable. There is nothing to show that the lien has been lifted or that the claim for the unpaid balance of $1,329.07 due as royalty on ore shipped has been dropped.

RFC has a buyer who has told them that if they will guarantee that DMSA will not press its claim for the $1,329.07 back royalty and will release its lien, he will pay RFC an additional $25,000. Otherwise he will pay them only $20,000 and will pay off DMSA claim of $1,329.07 plus 5 percent royalties until the balance of the obligation ($24,239.32) is repaid. In other words, the total amount that the Treasury will receive is the same; the total RFC loan will not be recovered in any case. But if RFC can get credit for an additional $25,000 against their loan, DMSA will show no collection other than the $1,186.63 royalties ~~due~~ paid.

I told him I was sure that the lien was still in effect and that any interdepartmental adjustment would probably have to be made at the Administrator's level. Mr. King may call you Monday.

D. R. MacLaren

cc: DMSA (2)
USBM (2)
USGS (AD)
CLF

426

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 12 1956

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1956 Date of exam: May 31, 1956

Operator: Idaho Beryllium & Mica Corp., Deary, Idaho

Mine name: Muscovite

County and State: Latah County, Idaho

Docket number and commodity: DMEA-2607 (mica)

Contract number: Idm-E426

Date of contract: October 27, 1952

Date of certification: January 12, 1954

Expiration date of royalty payments: October 27, 1962

Total amount of contract: $28,700.00

Total expenditures under contract: $26,999.25

Amount of Government participation at 90%: $24,299.32

Royalty payments this period: none

Previous royalty payments: $1,886.68

Total royalty payments to date: $1,886.68

Percent Government participation repaid: 6.99%

Royalty due on production to date: $1,329.07 (delinquent)

Royalty remarks: Royalty audit by C. E. Fisher, dated October 28, 1954.

Original estimate of reserves (from final Engr.-Geol. report): 50-100 tons of hand-cobbed mica in New Pegmatite. No basis for calculation in East and West Pegmatites. No beryl estimated.

Increase (or decrease) of reserves by work performed subsequent to original and last Field Team estimates: none

Revised estimate of reserves: none

Production this period: none

Amount of previous production (since date of contract):

Mica, Program A	9,422.36 lbs.	(includes 689.5 lbs. shipped after royalty audit, per Acceptance No. C-392)
Mica, Program B	452,855.0 lbs.	
Beryl	4,280.0 lbs.	

Total DMEA production to date:

Mica, Program A	23.25 lbs.
Mica, Program B	213,079.0 lbs.
Beryl	800.0 lbs.

Percent of revised reserves mined: none

Production remarks:

There has been no production from the property during this period.

Other remarks:

Mr. Densmore Stevens of Deary, Idaho, is custodian of the property for the RFC who purchased it at public action in August 1955. Idaho Beryllium & Mica Corp. has one year in which to redeem the property.

Distribution:
DMEA (4) USBM (AD)
USGS (2) USBM (2)

Signed: M. R. Lickes (Engineer)

May 18, 1956

Mr. Sam Phillips calling Mr. L. G. Houk

Mr. Phillips: Mr. Laurence called me this morning to tell me to wait on that Little Ray. That is not what I called you about tho. I want to ask do you know anything about that Idaho Beryllium Mica Corp., they went out of business.

Mr. Houk: Yes.

Mr. Phillips: What happened to that stuff they had on hand. They were dumping it on the mountain. It was scrap. It might be up on the mountain yet.

Mr. Houk: They worked that for a long time. I think they sold all they had.

Mr. Phillips: They were taking the scrap and dumping it on top of the mountain. They had plenty more left about a year or so agao. I would like to know if it is still there and if it could be bought. Would that belong to the Government?

Mr. Houk: Yes.

Mr. Phillips: The Auditor was giving me the story one time. The Government had liens on the property but I never asked him that question.

Mr. Houk: What question?

Mr. Phillips: What happened to that scrap on top of the mountain? I thought I might be able to do something with it.

Mr. Houk: If you give the Government $125,000 for the property you can have it. You can find out anything from the Treasury Dept.,they handled it through the Portland office. There was a man in here about a year ago asking about the equipment on the ground and it was handled through the Portland office of the Treasury Dept.

Mr. Phillips: I would be interested in looking at their equipment as well as the scrap and see what they want for it. Will you find out for me.

Mr. Houk: I cant get anything on it today. I recommended that he write to the Treasury Dept. at the Portland office.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Interior—Duplicating Section, Washington, D. C.

Signed _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
March 12, 1956

RECEIVED
MAR 16 1956

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

In reply to your letter of January 6, we are enclosing a memorandum by M. R. Lickes, Bureau of Mines Engineer, copies of a Certificate of Sale covering the real property of Idaho Beryllium and Mica Corp., and a letter dated January 18 from Paula L. Fleenor, Corporation Clerk, State of Idaho.

We also have written to Mr. Harry B. Cockrum, Supervisory Field Representative for the Treasury Department, Defense Lending Division, Portland, Oregon, regarding the sale of Idaho Beryllium and Mica Corporation's assets to other parties (non-Government), but we have not received an answer to our inquiry from Mr. Cockrum.

All we can determine is that the Treasury Department still holds title to both the equipment and real property of the Corporation. Should we learn otherwise, we shall inform you.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund, Acting Member
U. S. Geological Survey

Enclosures

cc: USGS (2)
USBM (AD)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
March 7, 1956

RECEIVED
MAR 16 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: M. R. Lickes, Mining Engineer, Bureau of Mines

Subject: Status of Idaho Beryllium & Mica Corporation, Latah County, Idaho, Docket No. DMEA-2607(mica), Contract No. Idm-E426 (completed and certified)

To ascertain the present status of the subject company, a visit was made to the Latah County Court House on February 29, 1956. Their records were consulted, and I was fortunate enough to contact three persons who were present at the time the assets of the company were sold; they gave substantially the same version of events. These people were: Dr. J. Donald Forrester, head of the Idaho Bureau of Mines and Geology, Louis (?) Prater, his assistant, both of Moscow, Idaho, and Mrs. Sturman of Deary, Idaho, whose son, Bernal, was custodian of the property prior to the sale.

Under a decree of foreclosure rendered by the United States District Court for the District of Idaho, Central Division, the real property of the Idaho Beryllium & Mica Corporation was sold on the premises at public auction August 23, 1955 to the Secretary of the Treasury for the sum of $80,000.00, he being the highest bidder. The real property is described in Certificate of Sale #2021 of the records of Latah County, Idaho, as: the NE¼/SE¼ and the SE¼/NW¼ and the south 330' of the NE¼/NW¼, all in sec. 22, T. 41 N., R. 2 W. of the Boise Meridian; also the surface rights to the Muscovite Mica and Lawrence Mica Lode mining claims, designated by the Surveyor General as Lot #1048 in the Robinson Mining District on the 20th day of June 1894, filed for record in Book 15 of Deeds at page 247, Mineral Certificate #6, U. S. Land Office. By order of the Court this property was sold in one parcel. By the terms of the sale, the property is subject to redemption within one year of date. The Certificate of Sale was signed by Saul H. Clark, U. S. Marshall for the District of Idaho, on October 25, 1955.

In addition to the above Certificate of Sale, there are in the Latah County Court House a chattel mortgage and four supplements thereto. Real Estate and Chattel Mortgage #180216, filed and recorded April 8, 1952, in the amount of $125,000.00 covered the real property described in the

Certificate of Sale and such personal property located on or adjacent to the real property: all mining and mill buildings, machinery, equipment, including automotive equipment, tools, furniture and fixtures. Supplemental chattel mortgages covered items as added to the inventory of the corporation as follows:

Supplemental	Chattel	Mortgage	#182257, filed October 31, 1952
"	"	"	#185707, filed December 15, 1953
"	"	"	#185752, filed December 22, 1953
"	"	"	#186337, filed March 16, 1954

According to eye-witness accounts of the sale, the heavy equipment, including bulldozers, was put up for sale at the mine as the first lot sold and was bid in by a Treasury representative. The next lot put up for bid was the real property described in the Certificate of Sale. The auctioneer then moved down the hill to the pump station where the pump and pump house were sold, after which the sale adjourned for lunch. After lunch the sale continued at the trimming shed in Deary, Idaho. Here the trimming shed building, including modern apartment and furnishings, and the trimming equipment were sold as separate lots. High bid on lots other than the real property are not on record at the Latah County Court House. Sale of all lots to a Treasury representative as high bidder is reported by all three witnesses.

We have been advised by the office of the Secretary of State, State of Idaho, that the Idaho Beryllium & Mica Corporation is in good standing until the end of the fiscal year, June 30, 1956, having filed an annual statement as required by law. The annual statement shows the property to be non-productive.

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
MRL/he

M. R. Lickes

M. R. Lickes

C O P Y

CERTIFICATE OF SALE

RECEIVED
MAR 16 1956

191661 Book 4, page 213

U. S. Court for the District of Idaho - Central Division

United States of America, Plaintiff	)	
vs	)	No. 2021 Certificate of Sale
Idaho Beryllium & Mica Corporation Defendant	)	

Under and by virtue of a decree of foreclosure rendered in and by the above entitled Court in said action, on the 16th day of May 1955 and under the authority of an order of sale duly issued out of said Court attested on the 16th day of May 1955 and to me the undersigned directed and delivered as U. S. Marshal for the District of Idaho, whereby I was commanded to sell the property described in said decree and hereinafter described according to law and to apply the proceeds of sale in satisfaction of the judgment in said action, amounting to $124,258.78 with interest and costs as specified in said decree:

I, Saul H. Clark, U. S. Marshal for the District of Idaho, do hereby certify that I duly sold the real property hereinafter described, on the 23rd day of August 1955 at 10:00 A.M. of said day at public auction, according to law, after due and legal notice given, on the said premises in Latah County, to the Secretary of the Treasury of the U. S. of America, for $80,000, he being the highest bidder, and that sum the highest bid therefor.

That said real property is situate in the County of Latah, State of Idaho, and particularly described as follows, to wit:

NW¼/SE¼ and SE¼/NW¼ and the south 330 feet of the NE¼/NW¼ all in Section 22, T. 41 N., R. 2 W., Boise Meridian.

Also the surface rights to the Muscovite Mica and Lawrence Lode mining claims, designated by the Surveyor General as Lot No. 1048, in the Robinson Mining District in the County of Latah, State of Idaho, on the 20th day of June 1894, filed for record in Book 15 of Deeds at page 247, Mineral Certificate No. 6, U. S. Land Office No. 24179 and more particularly described as follows:

(Here omitted survey description of claims)

That said property was by order of the Court sold in one parcel, that the highest price bid therefor was $80,000, which sum was the whole price paid for the same; and that said property is subject to redemption within one year of the date hereof.

Witness my hand this 25th day of October 1955.

Saul H. Clark

"A million opportunities await you in Idaho"

RECEIVED
BUREAU OF MINES
JAN 19 1956
SPOKANE, WASH.

SECRETARY OF STATE SERVES ON:
STATE BOARD OF EXAMINERS
STATE LAND COMMISSIONERS
STATE BOARD OF ELECTIONS
STATE BOARD OF FORESTRY

IRA H. MASTERS
SECRETARY OF STATE

THE STATE OF IDAHO

OFFICE OF THE SECRETARY OF STATE
BOISE

RECEIVED
MAR 16 1956

January 18, 1956

Mr. Wing G. Agnew
UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. Division Street
Spokane 2, Washington

Dear Sir:

The records of this office show IDAHO BERYLLIUM & MICA CORPORATION incorporated July 7, 1950 with principal place of business at Caldwell, Canyon County Idaho. This corporation is in good standing until the end of the fiscal year June 30, 1956, having filed an annual statement as required by law. Annual statement shows the property to be non-productive.

The authorized capital stock of said corporation is $1,000,000.00 divided 900,000 shares common and 100,000 shares Class A. Preferred par value of $1.00 each. The amount of stock subscribed, issued and paid up is $643,087.00.

Officers: Leo J. Mason, President, Caldwell
Samuel A. Swayne, M. D., Vice-President, Nampa, Idaho
John A. Carver, Jr., Secretary, Box 2574, Boise, Idaho

I trust the above information will be of value to you.

Very truly yours,
IRA H. MASTERS, Secretary of State

By Laura L. Fleenor
Corporation Clerk

F

Docket Copy
Surname:
Houk
Talbot
Selfridge
Fleming
Wittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

JAN 6 1956

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to the subject certified contract and the delinquent royalty balance of $1,329.07.

We have been advised by the Department of Justice that the mortgage in favor of the Reconstruction Finance Corporation against the Idaho Beryllium and Mica Corporation has been foreclosed and all the property sold. These funds were insufficient to pay the obligations and the United States holds a deficiency judgment for $20,000.00. We are closing this account as uncollectible and we wish to know the following:

The name of the purchaser of the claims and whether he or they were formerly associated with the Idaho Beryllium and Mica Corporation. Were claims sold separately and for how much?

Is the Corporation charter dissolved?

Who purchased the mill equipment? How much?

Will the new owners operate the property?

The next semi-annual report on this project should be as complete as is possible under the circumstances.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

/s/ Robert W. Geehan (GHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

LGHouk:gad 1/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

600 JAN 6

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

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The name of the purchaser of the claims and whether he or they were formerly associated with the Idaho Beryllium and Mica Corporation. Were claims sold separately and for how much?

Is the Corporation charter dissolved?

Who purchased the mill equipment? How much?

Will the new owners operate the property?

The next semi-annual report on this project should be as complete as is possible under the circumstances.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

LGHouk:gad 1/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JAN 9 1956

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: July 1, 1955 to December 31, 1955

Docket No.: DMEA-2607
Contract No.: Idm-E426

Operator: Idaho Beryllium & Mica Corp., P. O. Box 176, Deary, Idaho

Commodity: Mica

Mine name: Muscovite

County: Latah
State: Idaho

Date of contract: October 27, 1952

Date of certification: January 12, 1954

Expiration date of royalty payments: October 27, 1962

Date of examination for this report: December 7, 1955

Total amount of contract: $28,700.00

Total expenditures under contract: $26,999.25

Amount of Government participation at 90%: $24,299.32

Royalty payments this period: none

Previous royalty payments: $1,886.68

Total royalty payments to date: $1,886.68

% Loan repayment completed: 6.99%

Amount of royalty due: $1,329.07 (delinquent)

Royalty remarks: Royalty audit by C. E. Fisher, dated October 28, 1954

Original estimate of reserves
(from final Engr.-Geol. report): 50 - 100 tons hand-cobbed mica in New pegmatite. No basis for calculation in East and West pegmatites.
No beryl estimated.

Increase (or decrease) of reserves by work performed subsequent to expiration or termination of contract: none

Revised estimate of reserves:

Production this period (ore or concentrates): none

Amount of total previous production (since date of contract):

Mica, Program A	9,422.36 lbs.	(includes 689.5 lbs. shipped after royalty audit per Acceptance No. C-392)
Mica, Program B	452,855 lbs.	
Beryl	4,280 lbs.	

Total DMEA production to date:

Mica, Program A	23.25 lbs.
Mica, Program B	213,079 lbs.
Beryl	800 lbs.

% of revised reserves mined:

Production remarks:

Lot C-392, dated December 14, 1954, was shipped after the royalty audit had been completed. It contained 689.5 lbs. of mica, Program A, valued at $5,496.43. In Anderson's inspection report of December 8, 1954, he states: "The production during this period was from the open pit and not subject to royalty payments." The value of delinquent royalty remains $1,329.07.

Other remarks:

Idaho Beryllium and Mica holdings were sold in August 1955. High bid on all units was made by Harry B. Cockrum, Supervisory Field Representative for Treasury Department, Defense Lending Division, 454 Pittock Block, Portland 5, Oregon. Mr. Cockrum appointed Densmore Stevens, Deary, Idaho, custodian of the property.

Distribution:
DMEA (4) USBM (AD)
USGS (2) USBM (2)

Signed: M. R. Lickes (Engr.)

FILE COPY
Surname:
DMEA

Chambers
Houk
Dwyer

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

DEC 29 1955

N.S. in R.&R.

Hon. Herbert Brownell, Jr.
Attorney General
Washington 25, D. C.

My dear Mr. Attorney General:

Receipt is acknowledged of a copy of a letter from Sherman F. Funk, Jr., United States Attorney, Boise, Idaho, to the Department of Justice, advising that a prior claim of the Reconstruction Finance Corporation has consumed all of the assets of the Idaho Beryllium and Mica Corporation without fully satisfying the claim, and recommending that under the circumstances the Department of the Interior not prosecute the case further but to close its Idaho Beryllium and Mica Corporation account under Contract No. Idm-2426, Docket No. DMEA-2607, as uncollectible.

We are in agreement with the United States Attorney in this respect and have thus closed the account.

Sincerely yours,

J. Reuel Armstrong

Solicitor

JLChambers/wb
December 19, 1955

Copy to: Secretary's File
Solicitor's Docket
DMEA Docket
Admr. Reading File, DMEA
Administrator, DMEA
Region I NWD Field Team (2)
Mr. Dwyer
Mr. Houk, DMEA
Mr. Chambers, DMEA

Mr. Houk

C
O
P
Y

Boise, Idaho
December 8, 1955

Department of Justice
Washington 25, D. C.

Attention: Robt. E. Mulroney, Chief,
Trial Section - Lands Division

Re: U.S. v. Idaho Beryllium & Mica Corp. (C-45)
Dept. of Justice ReM:VAA 90-1-18-218

Dear Mr. Mulroney:

We wish to advise that the mortgage in favor of the United States through the Reconstruction Finance Corporation against Idaho Beryllium Company has been foreclosed and all the property sold. The funds received were insufficient to pay the obligation, and the United States holds a deficiency judgment against the Idaho Beryllium Company for over $20,000.00. Idaho Beryllium Company has no further assets, and their attorney advises that they are no longer doing business.

In view of these facts, it is our recommendation that no suit be filed on the claim of the Department of Interior, but that this account be closed out as uncollectible and returned to the Department of Interior.

We are sending a copy of this letter to the Office of the Solicitor, Department of Interior, for their comments.

Very truly yours,

SHERMAN F. FURREY, JR.
United States Attorney
By:

MARION J. CALLISTER,
Assistant U. S. Attorney

MJC:mku
cc/Office of Solicitor
Washington 25, D. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Indrity
Dwyer
Hoch
Chambers
140
Martin
H Johnson
Mitchelson

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I, N. W. Dist.
Sa 157 Howard St ~~1201 N. Division Street~~
Spokane 4, Washington

NOV 15 1955

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Your letter of October 20 asks whether "the DMEA lien for delinquent royalties and the obligation for royalty on future production under the terms of the contract will still hold if" a prospective bidder purchases the Muscovite mine when it is "put up for sale by the RFC."

The contract which covers the Muscovite mine of the Idaho Beryllium and Mica Corporation is on the short form of February 1952. At the time it was executed, the physical assets of the company were subject to a mortgage to the Reconstruction Finance Corporation. The RFC refused to subordinate its mortgage to DMEA's claim for royalty under the contract. Nevertheless, the contract was executed upon administrative determination that a subordination agreement from RFC would be waived.

The certification of discovery or development has been made and the Operator, after having made some royalty payments to DMEA, now owes the Government $1,329.07 as the balance of royalty due under the contract for production. The Operator has apparently defaulted under its mortgage to RFC and the RFC has obtained a judgment and order of sale of the company's property.

Since the RFC mortgage lien is prior to the DMEA lien, it is apparent that the purchaser of the property at a sale made to satisfy the RFC lien would take the property free and clear of all subsequent liens.

Of course, if the proceeds of the sale exceed the amount of RFC's claim that is secured by the mortgage held by RFC, the excess would accrue to the benefit of DMEA as the holder of the subsequent lien.

However, the fact that such a sale would transfer the land to the purchaser free of subsequent liens does not mean that the Operator would be absolved from its obligations under the contract. The Operator would still remain liable for the debt of $1,329.07 that it now owes to the Government under its DMEA contract and would also remain liable for royalty on any future production from the lands during the full royalty period expressed in the contract.

Sincerely yours,

by 557

Chairman, Operating Committee

Approved:

by 554

Member, Bureau of Mines

by 557

Member, Geological Survey

P.Indritz/wog
11/7/55
Copies to: DMEA Docket
Admin. Reading File
Operating Com.
T.H.Kiilsgaard, USGS
W.F.Dietrich/Rm 3061
L.G.Houk (2)
R.P.Dwyer
P.I.Indritz
Chron.
Pending

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
October 20, 1955

RECEIVED
OCT 24 1955

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

We recently had a verbal inquiry from a party who is interested in bidding on the Muscovite mine as well as on the tools, machinery, etc., when they are put up for sale by the RFC. This party wants to know if the DMEA lien for delinquent royalties and the obligation for royalty on future production under the terms of the contract will still hold if he purchases the property at a bid sale. We said that both obligations would remain in force, though frankly we do not know.

Will you please advise us on this matter?

By Field Team, Region I, NW District

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USGS (2)
USBM (AD)
Turner

Putin

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

SEP 6 1955

Memorandum

To: The Administrator, DMEA
Attention: Mr. F. L. Knouse

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2607, Idaho Beryllium and Mica Corporation

As requested in Mr. Knouse's memorandum dated August 25 we have reviewed the docket concerning the subject contract to determine whether there is any new procedure which may be suggested to the United States Attorney for recovering DMEA's claim for royalty in the amount of $1,329.07 under the subject contract.

It appears that at the time when the contract was executed by the Government all physical assets of the subject company were under a mortgage to the RFC. RFC refused to subordinate its security under the mortgage to DMEA's claim for royalty under the contract. Nevertheless, it was administratively determined that a Subordination Agreement of RFC would be waived.

A Certification of Discovery or Development was made, the Operator made one royalty payment to DMEA, and the Operator now owes a balance in the amount indicated above.

The Operator has discontinued mining because of its inability to sell the grade of ore that it produces. The RFC obtained a judgment and an order to sell the Operator's mining claims and equipment. The Assistant Attorney General's letter of August 17 informed us that sale of these assets will not realize enough money to pay more than one-half the amount of the indebtedness due under the RFC loan. In these circumstances, the United States Attorney handling DMEA's claim has withheld filing suit until such time as it appears that collection could be made to satisfy another judgment.

In these circumstances, we have no suggestion concerning any different action that should be taken by the U. S. Attorney to recover DMEA's claim for royalty.

Henry C. Rubin
for J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

HCRubin/emd
Copy to: DMEA Docket
Solicitor's docket
L. G. Houk (3)
J. L. Hofflund
H. C. Rubin
chron.

WEB:RK
105-22-5
90-1-18-218

jr

Department of the Interior
Office of the Soliciter
Washington 25, D. C.

Re: Idaho Beryllium & Mica Corporation -
DPA Loan No. 729,357. (C-45 and C-46)

Dear Sirs:

This refers to your letter of July 19, 1955 inquiring what steps were being taken to protect the interests of your Department.

There is enclosed a copy of a self-explanatory letter received from the United States Attorney.

Apparently all of the property of the Idaho Beryllium and Mica Corporation was included in the mortgage to Reconstruction Finance Corporation; and according to the United States Attorney it is estimated that on foreclosure the property will not realize more than enough to pay more than half of the note secured by the mortgage.

If you feel that the United States Attorney should proceed in any different manner from that proposed by him with respect to the claim of your Department, we will be glad to give consideration to such procedure as you may suggest.

Yours very truly,

WARREN E. BURGER
Assistant Attorney General
Civil Division

By:
George F. Foley
Chief, Government Claims Section

Original ltr. with attachment returned in Contr. Adm. & Audit Div. contract folder (E426)
Talbert

Encl. No. 137642

Docket File
Surname: J H Knowm

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

August 25, 1955

Memorandum

To: Office of the Assistant Solicitor, DMEA

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Please review the attached letter and attachments from the United States Department of Justice, dated August 17, 1955, and the subject case and determine what procedure, if any, may be pursued to recover DMEA claim on royalty from production.

Frederick L. Knouse, Acting Chief
Nonmetallic Minerals Division

FLKnouse:pk 8/25/55
Copy to: Admr. R. File
Docket
Mr. Houk
Mr. Knouse

Boise, Idaho
Aug. 2, 1955

Department of Justice
Washington 25, D. C.

Attention: George F. Foley, Civil Division

Re: Idaho Beryllium & Mica Corporation - DPA Loan No. 720,357. (C-45 and C-46)
Dept. Justice WEB:RK 105-22-5 and 90-1-18-218.

Dear Sir:

With reference to the letter of the Deputy Solicitor of the Department of Interior, dated July 19, 1955, we wish to advise that no action has been taken on the claim of the Department of Interior for the reason that all of the property of Idaho Beryllium and Mica Corporation was mortgaged to the United States and it is estimated that on foreclosure sale the property will not bring enough to pay more than half of the note secured by the mortgage. Idaho Beryllium & Mica Corporation has no other assets and will probably cease doing business as a corporation within the next year.

For this reason we have withheld filing suit on the claim of the Department of Interior until it appears that there is some way that collection can be made after judgment, or until it appears that Idaho Beryllium & Mica Corporation will continue doing business as a corporation.

If this procedure is not satisfactory we would appreciate your suggestions in the matter.

Very truly yours,
SHERMAN F. FUREY, JR.
United States Attorney
By

MARION J. CALLISTER
Assistant U. S. Attorney

FILE COPY
Surname:
DMEA

Talbert
Z Hanna
Wolman
Wheeler
Hofflund

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

H.S. in R.R.

JUL 19 1955

INTERIOR DEPT
JUL 18 1955
SOLICITOR

Hon. Herbert Brownell, Jr.
Attorney General
Washington 25, D. C.

My dear Mr. Attorney General:

By letter dated March 7, 1955 (your reference HEM:VAA 90-1-18-218), this Department was advised that the case concerning royalties due the United States by the Idaho Beryllium and Mica Corporation, P. O. Box 176, Deary, Idaho, under Exploration Project Contract No. Ida-Z426, Docket No. DMEA-2607, had been referred to the United States Attorney at Boise, Idaho.

Our regional office recently has advised us as follows:

> "The Government has obtained a judgment and order of sale upon the mining claims, machinery, tools, and equipment of the Idaho Beryllium and Mica Corporation. U. S. Marshall Clark of Boise, Idaho, on May 23, 1955 appointed Bernal Sturman of Deary, Idaho, custodian of the same. All equipment is for sale."

It is presumed that "the Government" refers to the Reconstruction Finance Corporation, which held a mortgage on the property of the Idaho Beryllium and Mica Corporation at the time the Exploration Project Contract was executed.

We would appreciate being informed as to what action is being taken to protect the interests of this Department in this matter.

Sincerely yours,

Edmund J. Fritz
Solicitor

DEPUTY

cc to: Secretary's File
Solicitor's Docket
DMEA Docket
Admr. Reading File, DMEA
Administrator, D MEA
Region I NWD Field Team (2)
Mr. Hofflund
Mr. Houk, DMFA
Mr. Chambers, DMFA

EDTalbert/wb
July 13, 1955

RECEIVED
JUL - 5 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: January 1, 1955 to June 30, 1955

Docket No. DMEA 2607 (mica) Contract No. Idm-E426

Operator: Idaho Beryllium & Mica Corp.
P. O. Box 176
Deary, Idaho

Name of mine: Muscovite mine

County: Latah State: Idaho

Date certified: January 12, 1954 Date of last inspection: June 6, 1955

Inspection engineer: M. R. Lickes

Date of Royalty audit: October 28, 1954 DMEA Auditor: C. A. Fisher

Contract amount: $28,700.00

Amount spent: $26,999.25 Government participation: $24,299.33

Amount repaid to date: $ 1,886.68

ROYALTY DUE: $ 1,329.07
3,215.65

Reserves: No basis for calculation of reserves.

Remarks: "The Government has obtained a judgment and order of sale upon the mining claims, machinery, tools, and equipment of the Idaho Beryllium and Mica Corporation. U. S. Marshall Clark of Boise, Idaho, on May 23, 1955 appointed Bernal Sturman of Deary, Idaho, custodian of the same. All equipment is for sale."

No mining has been done since the last inspection.

Production summary: See First Royalty Audit Report, dated October 28, 1954, for details.

Distribution:
DMEA (4)
USGS (2)
USBM (2)
USBM (AD)

BUREAU OF INTERIOR
CS FINAL FIELD EXAM REPORT

Date 7-6-55

Referred to:

1. ~~Mr. [illegible]~~
2. ~~Mr. Johnson~~
3. ~~Mr. [illegible]~~
4. ~~Docket Control Mails and Files~~
5. Mon - Omaha 600 Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Government has stand
2. Judgment V, Formerly RFC Town. We
3. should check to provide DMEA in case
4. Fed Cable RFC advise they expect sale of property to take place within one No. Atty Gen. should be advised of RFC, Tel. and propose sale of property.

and take appropriate action.

Action taken by Division:

Mr. Chambers

ROBERT E. ADAMS
Initials

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~

1201 N. Division St.
Spokane 2, Washington
June 10, 1955

RECEIVED
JUL 25 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: M. R. Lickes, Mining Engineer, Bureau of Mines

Subject: Royalty report, Docket No. DMEA 2607 (mica), Idaho Beryllium and Mica Corporation, Latah County, Idaho, Contract Idm-E426 (completed)

Inspection of the premises at the company office, Deary, Idaho, revealed a form 460, Appointment of Custodian, signed by U. S. Marshall Clark of Boise, Idaho, attached to the building. According to the notice, Marshall Clark foreclosed upon the mining claims, machinery, tools and equipment of the company and on May 23, 1955 appointed Bernal Sturman of Deary as custodian of the same by virtue of a judgment and order of sale issued out of the U. S. District Court in the matter of the United States versus Idaho Beryllium and Mica Company.

Bernal Sturman was interviewed on the road to the mine where he and his brother, Dean Sturman, were removing pipe line with a bulldozer preparatory to trucking it to Deary. Mr. B. Sturman advised that he had been instructed to dismantle and transport all equipment of the company to the office and warehouse in Deary for sale tentatively scheduled sometime in July 1955. He further advised that the evening before my visit he had been contacted on the telephone by Marshall Clark who told him not to dismantle the mill, pending further orders, but to remove the pipe line and take it, together with anything which could be easily stolen, to the trimming shed and office building in Deary. He was further advised to clean the trimming shed and office and not to pull the pump.

Mr. Dean Sturman accompanied me to the mine. No inspection of the underground workings was made except to note that approximately 30 feet from the portal the back lagging was down and the adit partially filled with muck. Inspection of the open pit showed a caved area in the central part. The caved area was 12 - 15 feet in diameter, 8 - 10 feet deep, and drift timber was visible. Mr. Sturman said the cave-in occurred during the last few days the mine was in operation. The DeAnza mill was in the same careless condition in which it was left and it was carefully locked, but entrance to it could be made easily via the westernmost section whose roof was in large part missing.

M. R. Lickes
M. R. Lickes

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
Auditor Fisher
MRL/he

Docket File
Surname:

Hon
F. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

MAR 23 1955

2607

Hon. Herman Welker
United States Senate
Washington 25, D. C.

My dear Senator Welker:

Reference is made to your letter of March 18, 1955, requesting information on the Idaho Beryllium & Mica Corporation upon which to base a reply to Mr. A. V. Moffatt's letter to you of March 14, 1955.

The Defense Metals Administration mentioned by Mr. Moffatt throughout the letter, no doubt, refers to the Defense Minerals Administration which ceased to exist after October 28, 1951. The functions of the Defense Minerals Administration were transferred to the Defense Minerals Exploration Administration and the Defense Materials Procurement Agency. The functions of the latter agency were subsequently absorbed by the General Services Administration.

Mr. Moffatt's implication of difficulties in the sale of sub-quality mica to the stockpile indicates that the problem is related to the Mica Procurement Program and not the Defense Minerals Exploration Administration. The mica procurement activities are within the jurisdiction of the General Services Administration, Emergency Procurement Service. The Defense Minerals Exploration Administration, under the Department of the Interior, provides only for assistance for exploration within the United States its territories and possessions.

On April 27, 1952, the Defense Minerals Exploration Administration entered into a contract with the Idaho Beryllium & Mica Corporation to explore by surface diamond drilling, underground rehabilitation, drifting and crosscutting. The Government contributed $24,299.32 to the cost of this work. Under date of January 12, 1954, the Government issued a certification of discovery which required the Corporation to repay the Government's contribution at the rate of 5% of the net returns on all production from the land described in the contract. The Corporation has paid $1,886.68 on the sale of 125,012 pounds of hand-cobbed mica, and is delinquent in the amount of $1,329.07 on the sale of

R.C.S.

87,849 pounds of hand-cobbed mica. The royalty becomes due immediately upon the sale of the mica. On February 14, 1955, after considerable correspondence with the Corporation, the matter of collection was referred to the Attorney General.

Since the Defense Minerals Exploration Administration's contact with the Corporation has been entirely on the exploration phase, we are not in a position to comment on the difficulties the Corporation has had with another agency. It is suggested that you contact the General Services Administration with respect to your constituent's difficulties. It is hoped that this partial background information will be helpful to you in replying to Mr. Moffatt's letter. If the DMEA can be of any additional assistance please call upon us.

Your constituent's letter is returned herewith.

Sincerely yours,

C. O. Mittendorf

Administrator (By EST)

Enclosure

LGHouk:gad 3/23/55

Copy to: Admr. R. File
Docket DMEA-vol 7
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3001
Mr. Houk

600

RICHARD B. RUSSELL, GA., CHAIRMAN
HARRY FLOOD BYRD, VA.
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RALPH E. FLANDERS, VT.
MARGARET CHASE SMITH, MAINE
FRANCIS CASE, S. DAK.
JAMES H. DUFF, PA.
HERMAN WELKER, IDAHO

United States Senate

COMMITTEE ON ARMED SERVICES

Defense Minerals Administration
RECEIVED
MAR 21 1955

March 18, 1955

C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Interior Building
Washington, D. C.

Dear Mr. Mittendorf:

I am enclosing a letter from A. V. Moffatt, Moscow, Idaho, concerning the Idaho Beryllium and Mica Corporation at Deary, Idaho.

I would appreciate your going over this letter very carefully and furnishing me with information upon which to base a reply to my constituent. Please return Mr. Moffatt's letter with your answer.

Sincerely,

Herman Welker

HERMAN WELKER
U. S. Senator, Idaho

HW:tk
Enclosure

INLAND MERCHANTS' ASSOCIATION

A. V. MOFFATT

Box 382

MOSCOW, IDAHO

112-113-114 Idaho First
National Bank Bldg.

C
O
P
Y

March 14, 1955

Honorable Herman Welker
United States Senator, Idaho
Senate Building
Washington 25, D. C.

RE: Idaho Beryllium & Mica Corporation
Deary, Idaho

My Dear Senator:

The above named corporation, chartered in 1950 in Idaho includes among its principal stockholders, Leo J. Mason of Caldwell, and H. G. and C. V. Peckham also of Caldwell. It was formed to acquire certain real property and mining buildings and equipment located at Deary, Idaho, some 30 miles east of Moscow. During World War II substantial quantities of strategic mica were mined and these Idaho people took over the property with the idea of developing a year-round industry in our county, as a consequence of which in excess of $250,000. was reportedly spent on development of the property. In April 1952 it was successful in obtaining a loan from the RFC in the amount of $125,000, secured by both real and chattel mortgages. Subsequently substantial quantities of strategic mica were shipped to a depot located in South Dakota, through the influence of Senator Case. The corporation here had a contract with the Defense Metals Administration, and as late as April 1954, I am given to understand, I.B. & M. Corp. was the largest producer of strategic mica in the U.S.A. Later in 1954 an unending series of difficulties apparently arose with various officials and inspectors of the DMA, apparently having chiefly to do with alleged insufficient grade quality. This all culminated in the plant being closed down last fall, and the corporation advised the RFC, to whom the indebtedness at the time, delinquent, was some $116,000., to take over the plant. In the interval nothing has been done, so that we taxpayers, through the RFC face a severe loss, in addition to which Deary Latah County has lost an important payroll.

This all seems very strange, when, as reported, private industry has indicated that the quality of mica produced here meets the specifications of testing laboratories. As matters stand, the Republican Administration is being subjected to criticism which may or may not be warranted, but it is reported that some of the officials of DMA may be directly or indirectly interested in mica <u>import</u> activities.

I have recently read that the stock piling program of the Federal Government with respect to mica is not 25% completed. Could it be that there are undercover influences working to the advantage of mica imports?

You have already done a great deal for the mining industry in northern Idaho and I believe that this is the sort of thing that you would enjoy checking into very closely to determine if there really is a "nigger in the woodpile".

As a good number of citizens and businessmen of this county have a questioning attitude toward this affair, it will be appreciated if in due time you can give us the picture, and more especially indicate whether there is any liklihood of something constructive being done.

Sincerely,

/s/ A. V. Moffatt
A. V. Moffatt

AVM/mc

CC: William P. Marineau

C
O
P
Y

UNITED STATES
DEPARTMENT OF JUSTICE
WASHINGTON 25, D. C.

Address Reply to
"The Attorney General"
REM:VAA
90-1-18-218

March 7, 1955

J. Reuel Armstrong, Esquire
Acting Solicitor
Department of the Interior
Washington, D. C.

Dear Mr. Armstrong:

Receipt is acknowledged of your letter dated February 14, 1955, concerning the Idaho Beryllium and Mica Corporation, Post Office Box 176, Deary, Idaho. (Your reference: Defense Minerals Exploration Administration.)

This matter has been referred to the United States Attorney at Boise, Idaho, suggesting that he write a registered letter, return receipt requested, demanding payment of the amount due to the United States. If payment is not forthcoming promptly, the United States Attorney has been authorized to bring suit.

Sincerely,

PERRY W. MORTON
Assistant Attorney General
Lands Division

By: s/ Robt. E. Mulroney
Robt. E. Mulroney
Chief, Trial Section

C
O
P
Y

FILE COPY
Surname:
DMEA

Chamberlin
Hoch
Kiss
Rutherford
Hollfield
Parrado

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

FEB 14 1955

N.S. in R.R.

My dear Mr. Attorney General:

There is submitted for appropriate action the case of the Idaho Beryllium and Mica Corporation, P. O. Box No. 176, Deary, Idaho, a party to a minerals exploration contract with the Defense Minerals Exploration Administration of this Department, under Exploration Project Contract No. Idm-E426, Docket No. DMEA-2607.

INTERIOR DEPT.
FEB 7 - 1955
SOLICITOR

In general, the contract provides that the Corporation carries out an exploration project for mica as outlined in Exhibit "A" and Amendments 1, 2, 3, and 4 thereto, all of which are parts of the contract, and that the Government will reimburse the Corporation for 90 percent of the costs of the units of work actually completed.

The contract also provides that if the Government issues a "Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract" the Corporation shall pay a royalty on any production of ore from the land described in the contract until the amount contributed by the Government (in this case $24,299.32) is fully repaid, or for a period of 10 years from the date of the contract, whichever occurs first.

Information furnished our regional office by the purchaser of the ore produced by the Corporation shows that up to October 11, 1954, sales of ore produced under the contract amounted to $64,314.91, and that royalty at 5 percent on the sale due the Government amounted to $3,215.75. On January 21, 1954, the Corporation made a payment of $1,886.68, leaving a balance due of $1,329.07. Our Audit Division audited the royalty accounts of the Corporation on October 20 and 21, 1954, and confirmed the above sales figures from the records of the Corporation. Although the Administration has frequently requested the Corporation to settle its account, further payment has not been made.

The following Enclosures will give additional information on this case. They are photostats or true copies of the documents described.

Enclosure No. 1. The contract, Exhibit "A", and Amendments 1, 2, 3, and 4.

Enclosure No. 2. Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract.

Enclosure No. 3. Letter from Willard P. Puffett, for A. E. Weissenborn, DMEA Executive Officer, Region II (changed January 1955 to Region I, Northwest District) dated August 12, 1954, to the Corporation requesting payment of royalties due.

Enclosure No. 4. "Royalty Audit Certificate" issued by Clarence E. Fisher, auditor of the Administration, October 28, 1954, a copy of which was furnished the Corporation. In addition the auditor talked to Corporation officials about paying the account.

Enclosure No. 5. Letter from C. O. Mittendorf, Administrator, under date of November 17, 1954, to John A. Carver, Jr., Secretary of the Corporation, requesting payment of balance of royalties due.

Enclosure No. 6. Letter from Orville J. Slette, General Manager of the Corporation, under date of November 24, 1954, in reply to letter of C. O. Mittendorf.

Enclosure No. 7. Letter from C. O. Mittendorf, Administrator, under date of January 4, 1955, in reply to Corporation's letter of November 24, 1954.

Sincerely yours,

J Reuel Armstrong

ACTING Solicitor

Hon. Herbert Brownell, Jr.
Attorney General
Washington 25, D. C.

Enclosures

JLChambers/wb
February 3, 1955

Copy to: Secretary's File
Solicitor's Docket
DMEA Docket
Admr. Reading File, DMEA
Administrator, DMEA
Region I (NW) Field Team (2)
Mr. Hofflund
Mr. Houk, DMEA
Mr. Chambers, DMEA

140

Hofflund
Houk
Talbert
Selfridge
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

JAN - 4 1955

Mr. John A. Carver, Jr., Secretary
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Carver:

Reference is made to Mr. Orville J. Slette's letter of November 24, 1954, on payment of delinquent royalties due the Government.

Your proposal is unsatisfactory as it provides for no immediate payment on account and no schedule of regular periodic payments thereafter. The royalties are past due, and this agency cannot do other than require payment in full or reasonable payments on account. Regardless of whether the Idaho Beryllium and Mica Corporation's mine continues to produce mica, the delinquent DMEA royalty account must be paid.

The matter will be referred to the Attorney General for appropriate action in the absence of an immediate reasonable payment on account.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk/JLHofflund/emd
12/22/54
Copy to: DMEA Docket
Solicitor's Docket
Adm. Reading File
Operating Committee
W. F. Dietrich, USBM
T. H. Kiilsgaard, USGS
L. G. Houk
Field Team, Reg. II (2)
J. L. Hofflund
chron.
pending

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB - 3 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: July 1, 1954 to December 31, 1954

Docket No. DMEA 2607 (mica) Contract Idm-E426

Operator: Idaho Beryllium & Mica Corporation
P. O. Box 176
Deary, Idaho

Name of mine: Muscovite mine

County: Latah State: Idaho

Date certified: Jan. 12, 1954 Date of last inspection: Dec. 8, 1954
Inspection engineer: W. S. Anderson
Royalty Audit dated Oct. 28, 1954 by C. A. Fisher

Contract amount: $28,700.00

Amount spent: $26,999.25 Government participation: $24,299.33

Amount repaid to date: $ 1,886.68

Reserves: No basis for calculation of reserves.

Remarks: The Idaho Beryllium & Mica Corp. suspended all mining and trimming operations on December 14, 1954 as no profit could be made on the sale of mica.

Memorandums by W. S. Anderson, dated August 23, 1954, and December 13, 1954, give details of the inspections.

Production Summary:

See First Royalty Audit Report, dated October 28, 1954, for details.

Production from open pit - no royalty due

Date	Lot	Mica - Program B Pounds	Net Value
Dec. 4, 1952	C-68	80,000	$24,000.00
June 17, 1954	C-329	33,118	6,081.13
Aug. 31, 1954	?	24,000	3,600.00
		Beryl	
Sept. 28, 1954	B-81	2,390	650.08

Semi-annual report - Contract Idm-E426

Production Summary (cont.)

Period	Production subject to royalty Mica - Program A Pounds	Net Value	Govt. Royalty
Jan. 22, 1953	1,200	$ 9,423.99	$ 9.13
	Mica -Program B		
Jan. 22, 1953	315,737	$94,721.12	3,196.14
	Beryl		
Sept. 21, 1953	1,890	495.18	10.48
			$ 3,215.75
Total Royalties paid			1,886.68
Balance Royalties due			$ 1,329.07

Distribution:
DMEA, Wash. (4)
USGS (2)
USBM (2)
Certifying Officer

So. 157 Howard Street
Spokane 4, Washington

December 22, 1954

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Moscovite Mine
Latah County, Idaho
Contract No. Ida-2426

Gentlemen:

Enclosed is your copy of "First Royalty Audit Certificate" and "First Royalty Audit Report" for the period October 27, 1952, to October 11, 1954, by Clarence E. Fisher, Auditor, pertaining to the cited contract.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: DMEA (2)
USBM (2)
Fisher

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
December 13, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Royalty due, Docket No. DMEA 2607 (mica), Idaho Beryllium & Mica Corporation, Latah County, Idaho, Contract Idm-E426

The Company office in Deary, Idaho, was visited December 8, 1954.

The royalty payments due the Government have not been received, and this matter was discussed with Mr. Orville J. Slette, manager, Idaho Beryllium and Mica Corporation. Mr. Slette stated that all mining had been suspended as the Corporation could not make a profit on their sale of mica. He stated that the loss for October and November 1954 amounted to $3,000.00.

The production during this period was from the open pit and not subject to royalty payments.

The Operator had two employees working in the trimming shed, qualifying sheet mica. This work will be completed December 14, 1954 at which time the trimming shed will be closed.

I was informed that the Idaho Beryllium & Mica Corporation did not have funds to pay the back royalty due the Government, amounting to $1,329.07.

Mr. Slette stated that he was seeking new employment as his work with the Company will be terminated on January 1, 1955.

W. S. Anderson

W. S. Anderson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
WSA/he

DMEA
2607

[illegible] OF INTERIOR
[illegible] FIELD TELEPHONE REPORT

Don't detach

Date 12-29

Referred to:

1. ~~[illegible]~~
2. ~~Mr. Johnson~~
3. ~~[illegible]~~
4. Docket Control Mails and Files
5. _____ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. We should discuss
2. action to be taken with
3. respect to Royalties.
4. Possibly check with agency handling FPC loan which may fore-close. (Talking to Merle Rhyne in Federal Facilities Corp of Treasury Dept.)

and take appropriate action.

- - - - -

Action taken by Division:

ROBERT E. ADAMS

Initials

TELEPHONE
DEARY, 40

AVON MINING DISTRICT
DEARY, IDAHO

Idaho Beryllium and Mica Corporation

PRODUCERS OF BERYL AND MICA PRODUCTS

P. O. Box 176
Deary, Idaho

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 29 1954

November 24, 1954

U.S. Department of the Interior
Defense Minerals Exploration Administration
Washington, 25, D.C.

Attention: Mr. C.O. Mittendorf, Administrator

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-B426

Dear Mr. Mittendorf:

Your letter dated November 17, 1954 addressed to John A. Carver, Jr. of this organization has been referred to this office.

Auditors from the D.M.E.A. have been here going over our redords and at that time we discussed with them a settlement of our account with your office. Our proposed action as discussed with them is as follows:

a. Back royalties due would be paid as quickly as possible at such time as this company could do so without unduly jeopardizing an immediate closing of operations. (We had stopped operations from June 15 to September 15, 1954 due to difficulties with the General Services Administration purchase program).

b. Royalties on any future ore mined under the terms of our loan contract would be paid for when such ore was sold, with necessary arrangements being made with the G.S.A. to withhold these royalties from payment due us.

We sincerely trust that this arrangement will meet with your approval.

Very sincerely yours,

Idaho Beryllium & Mica Corporation

Orville J. Slette

Orville J. Slette
General Manager

OJS/cal
cc: John A. Carver, Jr.
A.E. Weisenborn

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 29 1954

November 23, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

We note that the Administrator wrote on November 17, 1954, to Mr. Carver, secretary of the Idaho Beryllium and Mica Corporation, with reference to the matter of the collection of back royalties due the DMEA.

In this connection only yesterday we had word from one of the Bureau of Mines engineers who happened to be in the vicinity of Deary, Idaho, on other business that the Idaho Beryllium and Mica Corporation had ceased operations. Because of Mr. Mittendorf's letter I thought it would be well to find out whether or not this was true and to advise you; consequently, I called Mr. Slette of the Idaho Beryllium and Mica Corporation this afternoon and asked him what the situation was. Mr. Slette said that it is true that they have closed the operation. Apparently they are still in difficulties with GSA, in spite of the opening of a subdepot at Deary. Slette said that mica which had been graded as 21 percent good stained or better by the GSA at the mine had been reduced to 9 percent good stained or better at arrival at Custer and that because of this they had no other recourse but to shut down. The above, of course, is Mr. Slette's statement. I have no way of knowing the GSA's side of the controversy.

Questioned as to the payment of back royalties, Mr. Slette said that he hoped that the situation could still be adjusted and that the property would become a successful operation; however, he said that if arrangements satisfactory to the company for the sale of the mica could not be made they would have no recourse but to shut down permanently. In this case they would go into voluntary receivership and the assets of the company would be distributed to the various creditors of which evidently the Government (and specifically the RFC) is the chief one.

I am told that the mica which is now going through the trimming plant will be shipped to Custer, South Dakota. This, as far as we can determine, is mica on which the DMEA is not entitled to royalty. This would appear to be the only asset which the company has except their mine and plant. I doubt that the DMEA would have prior rights over other creditors, including other branches of the Government (RFC), to the sum received from the sale of the mica to the GSA, but this might be worth your investigation.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
Puffett

Docket copy
Surname:
Chambers
Hoffline
Houk
Jefferson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 17 1954

Mr. John A. Carver, Jr., Secretary
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Carver:

Reference is made to our letter of October 1, 1954, in regard to royalty due the Government on production under the above-cited contract.

To date it appears that you have not effected a settlement of your account. Before I refer the matter to the Attorney General of the United States for action, I want to give you another opportunity to make a satisfactory settlement. Please let me have a statement of your proposed action not later than December 10, 1954.

Sincerely yours,

C. O. Mittendorf

Administrator

JLChambers/wb
November 17, 1954

Copy to: Docket
Admr. Reading File
F.T. Region II
Administrator
Mr. Kiilsgaard, 3061
Mr. Dietrich, 3061
Mr. Chambers
Mr. Houk

R.L.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 1 0 1954

Mr. Clarence E. Fisher
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idn-E426, DMEA-2607
Idaho Beryllium and Mica Corp.
Latah County, Idaho

Dear Mr. Fisher:

It is possible that my letter of November 8, 1954 in regard to your First Royalty Audit Report covering the referenced contract may not have reached you. For this reason I am confirming my acceptance of the report and advising that normal distribution may be effected.

The working papers applicable to this audit have been received. They will be placed in your desk until your return to Washington.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
November 10, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

R. Ash.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

November 8, 1954

Memorandum

To: Administrator

From: Jay L. Chambers, Chief (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: First Royalty Audit Report, Idaho Beryllium and Mica Corp.
Contract No. Idm-8426, Docket No. DMEA-2607.

I am attaching to Mr. Fisher's royalty audit of the Idaho Beryllium and Mica Corporation a special financial report which indicates that the Corporation will be unable to pay royalty due on Corporation sales. I thought you might need this in making determination on whether or not to demand that the Corporation pay its delinquent royalty account.

Attachment

JLChambers/wb
November 8, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

A.C.G.

RECEIVED

XXXXXXXXXXXXXXXXX
157 South Howard St.
Spokane, Washington

October 29, 1954

Mr. J. F. McGuiness, Superintendent
General Services Administration
Mica Purchase Depot
Custer, South Dakota

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. McGuiness:

We have been receiving from you copies of GSA Form 1013, Warranty, Acceptance and Invoice pertaining to shipments of mica by the subject company in accordance with our request dated December 22, 1953.

A recent audit of royalties due from Idaho Beryllium and Mica Corporation disclosed that company had made two sales of beryl to your agency being Lot No. B-24, September 21, 1953 and Lot No. B-81, June 28, 1954. In order that our files pertaining to royalties due from that company may be complete, will you please furnish us with copies of these settlement statements and copies of any future settlement statements pertaining to shipments of either mica or beryl from the Muscovite Mine.

Very truly yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

cc: DMEA (2) ✓
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 18 1954

October 12, 1954

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 2607 (mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

The Administrator's letter of October 1, 1954, to the Idaho Beryllium and Mica Corporation calling attention to the fact that they were delinquent in their payment of royalties due the DMEA must have arrived at Deary, Idaho, at the same time as a letter which the Field Team had written on the same subject.

The two letters, and more especially Mr. Johnson's letter, in which he stated that unless effective action were taken the matter would be turned over to the Comptroller General, apparently had a desirable effect because Mr. Slette of the Idaho Beryllium and Mica Corporation called me on the telephone immediately after he received the letter.

I had anticipated that the conversation might be somewhat stormy but, on the contrary, Mr. Slette was most agreeable. He stated that the Idaho Beryllium and Mica Corporation was closed on June 18, 1954, as a protest against the "B" buying program and said that the company told the General Services Administration that the property would not be opened until they got a better deal on buying of mica.

As you may know the company has long been in controversy with the General Services Administration's Custer Depot, claiming that mica rejected at the Custer Depot was accepted at the Spruce Pine depot, when offered by one of the local producers. Mr. Slette said that he has been advised that the General Services Administration has established a sub-depot at Deary, Idaho, and will buy mica under both the "A" and "B" programs. As a result of this Mr. Slette said that the production was resumed on September 15, 1954, and that the company will produce trimmed mica which they will sell to the sub-depot. He stated further that it is the company's intention to

pay the back royalties just as soon as possible and thereafter maintain their royalty payments on a current basis. I told Mr. Slette that I was very pleased to hear this and that our only interest in the matter was to obtain payment of royalties which were due the Government. I suggested further that he should write Mr. Mittendorf at once and tell him of his plans. In order to know precisely how much was due the Government in royalties, I told him we proposed to send an auditor as soon as possible to audit the royalty account and arrangements have been made with Mr. Turner to do this in the very near future. I believe Mr. Turner will be able to start the audit within about a week. He will be accompanied by a Bureau of Mines engineer who is familiar with the property, probably Mr. Webb Anderson.

I have not seen a copy of the letter that Mr. Slette was to have written Mr. Mittendorf and would be interested in having you send me a copy of it if it has been received.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
USBM (AD)
Puffett

Docket Copy
Surname:
Houk
Jackson
F E Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

OCT 1 1954

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Gentlemen:

Reference is made to the certification of discovery or development, dated January 12, 1954, which requires that your company pay royalty on all production from the date of the contract, October 27, 1952, except from the area specifically exempt in Amendment No. 1. The royalty is due and payable at the time the collection is made or any mica is sold.

It appears from our records that $1,317.74 in royalty is due the Government. The Government demands that you pay the sum of $1,317.74 due as of June 17, 1954, plus any royalty acruing to date from sales made at a later date. Unless immediate and effective action is taken to pay the delinquent royalty, your account will be referred to the Comptroller General for action.

You must also make arrangements with the General Services Administration Mica Depot at Custer, South Dakota, to deduct current 5% royalty on all future sales and to advise them that the royalty checks for such deductions be drawn payable to the Defense Minerals Exploration Administration and sent to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington. A copy of your letter to the General Services Administration should be furnished Mr. Weissenborn and the Washington office. Please reply immediately to this letter.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

LGHouk:gad 9/30/54
Copy to: Admr. R. File
Docket
Field Team, Region II
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard
Mr. Houk

R.G.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
September 28, 1954

Mr. Orville J. Slette, Manager
Idaho Beryllium & Mica Corp.
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA 2607 (mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Slette:

To date we have received no reply to our letter of August 12, requesting royalty payments on shipments of cobbed mica to the General Services Administration. It is imperative that we receive the royalty payments due the Government immediately.

Normal procedure is for you to notify the purchaser that a royalty is due the Government and advise them to deduct the royalties from the amount due on each shipment. This was stated in a letter to you from C. O. Mittendorf, DMEA Administrator, under date of January 12, 1954.

Checks should be made payable to Defense Minerals Exploration Administration and mailed to A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, So. 157 Howard Street, Spokane, Washington.

By Field Team, Region II

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA, Wash. (2)
USGS (2)
Certifying Officer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington
August 23, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, U. S. Bureau of Mines

Subject: Royalty, Idaho Beryllium & Mica Corporation, Latah County, Idaho, Contract No. Idm-E426, Docket No. DMEA 2607 (mica)

The Idaho Beryllium & Mica Corporation office in Deary, Idaho and the mine workings on Mica Mountain were visited July 22, 1954. Mr. Orville Slette, general manager, was in Moscow, Idaho, on business during the morning so the mine workings were inspected at this time. Mr. Slette was contacted in the afternoon.

Upon arrival at the property it was found that cables had been placed across the roadway and "no trespassing" signs had been posted. There was a watchman at the property who permitted access to the mine upon explanation of the reason for the visit. The watchman stated that the mine had been closed down for approximately 3 weeks.

The DMEA raise on the "New Pegmatite" was inspected. The total stoping completed since the visit of December 3, 1953, was an upward advance of 45 feet.

The production of hand-cobbed mica from the DMEA stope up to December 3, 1953 was 56,460 pounds of mica on which royalty has been received. From December 3, 1953 up to the date of this inspection there has been 86,181 pounds of hand-cobbed mica taken from the DMEA stope in the 45 feet of upward advance. The production figure of 86,181 pounds was obtained from Mr. Slette.

When the property was visited on December 3, 1953, it was estimated that one ton of hand-cobbed mica was produced for each foot of upward advance in the stope.

Actual production for the 45 feet of upward advance was 86,181 lbs. (43.09 tons) of hand-cobbed mica which would be 0.957 tons of mica per foot of upward advance.

The above information would substantiate within reasonable limits the production figures from the stope as obtained from Mr. Slette.

The total production subject to royalty is 212,861 lbs. of hand-cobbed mica, with 142,641 lbs. produced from the "New Pegmatite" and 70,220 pounds from the West Pegmatite. A production of 26,994 lbs. of mica was produced from the open pit and is not subject to percentage royalty.

A royalty payment of $1,886.68 has been received from the sale of 125,012 pounds of hand-cobbed mica. The balance of 87,849 lbs. of mica has been sold, and $1,317.74 in royalties is due the Government.

Following is a list of the shipments to the depot at Custer, South Dakota, starting with the shipment of October 26, 1953. The shipments were mixed shipments of hand-cobbed mica subject to royalty, and production from the open pit which is not subject to royalty.

Date	Lot No.	Pounds	Amount received
10/26/53	C-240	33,849	$10,154.70
11/4/53	C-245	34,515	10,354.50
11/30/53	C-252	41,181	12,354.30
1/26/54	C-282	26,946	8,083.80
3/4/54	C-295	35,873	10,761.90
4/19/54	C-309	34,373	10,311.90
6/17/54	C-329	33,118	4,967.70*
Totals		239,855	66,988.80

*Partial payment received on this shipment

As the Operator has not paid all royalties due the Government and has stated that funds are not available at the present time to pay the royalties, it is recommended that arrangements should be made with the buying depot to deduct royalties due the Government.

W. S. Anderson

Orig. & 3 cys--Wash.
USGS (2)
DMEA
M/D
AD
WSA/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 12, 1954

Mr. Orville J. Slette, Manager
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-5426

Dear Mr. Slette:

We have received letters from Mr. J. F. McGinness, Depot Superintendent, General Services Administration, enclosing copies of Warranty, Acceptance and Invoice forms covering purchases of hand-cobbed mica from your company on January 26, 1954 (Lot C-282), March 4, 1954 (Lot C-295), April 19, 1954 (Lot C-309), and on August 2, 1954 (Lot C-329).

To date we have not received any royalty payment from you for these shipments. If any of these shipments were produced from that portion of your mine from which production is subject to Government royalty, it is essential that we obtain royalty payment at the earliest possible date.

Please forward to this office the necessary royalty payments with records substantiating the location from which the mica was produced plus the proceeds realized from the sale of the mica. Please make the check payable to the Treasurer of the United States and forward it to A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington.

Sincerely yours,

Willard F. Puffett
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Puffett

FILE COPY
Surname:
Jack
Brown
Hoffman
Carrasco
Stevens
Schwab
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

JUN - 8 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-267 - Mica
Idaho Strategic & Mica
Corporation
Muscovite Mica
Bonneville County, Idaho
Contract No. [illegible]

Dear Mr. Gumbel:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed October 27, [illegible], with the Government participating to the extent of 90% of [illegible] or $[illegible].

The project was started on November 1, [illegible], and completed August 24, [illegible], after the expenditure of $[illegible] which is the total accepted cost according to the audit report. The Government paid 90% of the total accepted cost or $[illegible].

The work performed on this project consisted of rehabilitating adit No. 5, exploring the area below the No. 5 adit by diamond drilling, and drifting and crosscutting to explore for extensions of the "New Pegmatite" on the No. 5 level. The Field Team reports that 54,860 pounds of hand-cobbed mica has been produced from the stope which has been developed from the DMEA workings. Sufficient data were developed to calculate reserves of strategic mica.

The DMEA is of the opinion that the work was of definite benefit to the property and, therefore, we have certified that a discovery or development resulted from the work performed.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

LCHouk:gad 6/2/54

Copy to: Adm. L. File
Docket File
Region II
Operating Committee
Mr. Houk
Mr. Bridges, 440A
Mr. Thayer, 516 GSA Bldg.
Mr. Chambers
Mr. Johnson

R.C.J.

FRANCES:

Mr. Chambers isn't here and Mr. Talbert didn't surname letter because he felt the last paragraph of the letter should give a different reason--than benefit to property--for certification. Committee cleared.

HBerry

Reasons for exclusion given in penultimate paragraph.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

May 20, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

In response to your letter of May 10, we have calculated inferred ore reserves at the cited property. The following is a summary of the ore reserves in the East and West pegmatites below the No. 5 level at the Muscovite mine. The two information sources used in compiling these data were results obtained from drilling under terms of a DMEA contract, and Table 21 in U. S. Geological Survey Professional Paper No. 229, by W. C. Stoll.

In Table 21 of the professional paper, Mr. Stoll has summarized what he has termed indicated reserves. In these calculations, he has assumed the East and West pegmatites extend down-dip at least 50 feet below the No. 5 level, below stopes No. 1, 2 and 4. In this same area, DMEA DDH No. 4U has intersected what is assumed to be the East pegmatite, 120 feet down-dip from the No. 5 level. DMEA DDH No. 7U and No. 6U have intersected what is assumed to be the West pegmatite 90 feet down-dip below the No. 5 level. In this calculation of reserves, it is assumed the East pegmatite can be projected 150 feet down-dip (30 feet lower than the lowest diamond drill intersection), and the West pegmatite can be projected 110 feet down-dip (20 feet below the lowest diamond drill intersection). Stoll assigned a strike length of 80 feet for the East pegmatite and 130 feet for the West pegmatite. The strike distance between the DMEA diamond drill intersections on the East pegmatite is 25 feet. The strike distance between the DMEA diamond drill intersections on the West pegmatite is 20 feet (see map accompanying Field Team Final Report). In the present calculations, the strike length of the lower part of the East pegmatite is assumed to be 50 feet. The strike length of the West pegmatite is assumed to be 40 feet. The lower East pegmatite is estimated to be 5 feet thick, and the lower West pegmatite is estimated to be 4 feet thick. The percentages of included mine-cobbed mica and beryl in each pegmatite are assumed to be the same as those given in Table 21 of the professional paper.

The accompanying diagram shows the relative sizes and location of the blocks of indicated reserves designated by Stoll, and the blocks of inferred reserves calculated as a result of DMEA diamond drilling.

Using the limits described above, the East pegmatite in the area immediately below the No. 4 stope is calculated to have an indicated reserve of 1,920 tons, plus an inferred reserve of 2,000 tons. If this pegmatite contains 5 percent mine-cobbed mica, and 0.2 percent beryl, as indicated by Stoll, it has a mine-cobbed mica reserve of 196 tons and a beryl reserve of 7.84 tons.

The West pegmatite, below the No. 5 level in the area immediately below the No. 1 and No. 2 stopes, is calculated to have an indicated reserve of 2,080 tons, plus an inferred reserve of 767 tons. If this pegmatite contains 5 percent hand-cobbed mica and 2.0 percent beryl, as indicated by Stoll, it has a mine-cobbed mica reserve of 142 tons and a beryl reserve of 56.94 tons.

In the area beneath the No. 5 level, below stopes 1, 2, and 4, the East and West pegmatites contain indicated and inferred reserves of 338 tons of mine-cobbed mica and 64.78 tons of beryl.

By Field Team, Region II

Wing G. Agnew, Acting Executive Officer
U. S. Bureau of Mines

Thor H. Kiilsgaard
Thor H. Kiilsgaard, Acting Member
U. S. Geological Survey

Enclosure

cc: USBM (2)
Puffett

EAST PEGMATITE

STOLL'S INDICATED BLOCK
80' x 50' x 6'
1920 TONS
5.0% HAND-COBBED MICA
0.2% BERYL

BLOCK INFERRED FROM DMEA DRILLING
50' x 100' x 5'
2,000 TONS
5.0% HAND-COBBED MICA
0.2% BERYL

DEPTH INTERSECTED BY DMEA D.D.H. 4U

NO 5 LEVEL

WEST PEGMATITE

STOLL'S INDICATED BLOCK
130' x 50' x 4'
2080 TONS
5.0% HAND-COBBED MICA
2.0% BERYL

BLOCK INFERRED FROM DMEA DRILLING
40' x 60' x 4'
767 TONS
DEPTH INTERSECTED BY DMEA D.D.H. 4U
5.0% HAND COBBED MICA
2.0% BERYL

SUMMARY OF RESERVES

	PEGMATITE (TONS)	HAND-COBBED MICA (TONS)	BERYL (TONS)
EAST PEGMATITE	3,920	196	7.84
WEST PEGMATITE	2,847	142	56.94
TOTAL	6,767	338	64.78

IDAHO BERYLLIUM AND MICA CORPORATION

MUSCOVITE MINE
LATAH COUNTY, IDAHO

DOCKET COPY
Surname:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAY 10 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 ~~Mica~~
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Ida-E426

Dear Mr. Weissenborn:

Reference is made to your letter of April 14, 1954, in reply to our request for a statement on ore reserves for the purpose of evaluating the work under the contract.

You state that so little is known of the quality and quantity of mica below the fifth level on the East and West Pegmatites that you did not feel inferred reserves can be calculated. Stoll's Report states that the East and West Pegmatites were consistent in the upper levels. This office desires to place a value upon the inferred reserves which were explored by the DMEA work. Please calculate the inferred reserves from the information you have on hand in the field team's report and from Stoll's Professional Paper 229.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

J. H. Hedges (GHB)
Member, Bureau of Mines

T. P. Thayer (GHB)
Member, Geological Survey

LGHouk:gad 5/6/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

April 14, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

This will acknowledge your letter of April 8, in which you state that the statement on ore reserves in the final report of the Field Team appears inadequate for the purpose of evaluating the work under the contract.

With regard to the New pegmatite, we are so uncertain regarding the correlation of the pegmatite on the No. 5 level with surface exposures that it is not possible to make any more positive statement than we did regarding reserves. There is, of course, a very considerable potential for further discovery, which we have pointed out in the conclusions of the report, but this potential cannot be classed as even inferred ore. If, on our periodic inspection trips to the property for the purpose of checking on royalty payments, we can obtain any more positive information we will do so and, as a matter of routine, will reappraise the reserve situation. At the time of writing the report, however, there was no basis for a more conclusive statement regarding the reserves in the New pegmatite, nor, as far as we know, has any information been developed since that time which would significantly alter this situation.

With regard to the East and West pegmatites, drill holes 4U, 6U and 7U did cut pegmatite in positions corresponding to the downward projection of the East and West pegmatites, and some mica of strategic quality was recovered from the drill cores. We have not seen the East or West pegmatites on the No. 5 level, as the condition of the workings does not permit access to these bodies; therefore, we have no basis from personal observation concerning the length of the pegmatite on these levels. Judging from Stoll's maps, we are not certain that the full length of either of the pegmatites

has been developed on the No. 5 level; certainly some additional probing to test the possible extension of the East pegmatite to the north would appear justified, were the level open. We could, of course, assume the length as shown by Stoll as the minimum length, and we could go to his maps and records and determine the pounds of mica that have been obtained per square foot of longitudinal projection of the pegmatite. We could then extrapolate this information down to the points at which the East and West pegmatites were intersected below the level by drill holes 4U, 6U, and 7U, and we could then come up with a figure of inferred ore reserves. However, the length of the intercept between drills 4U and 6U on the one hand, and 7U on the other, is so short and so little is known of the quantity or even the quality of the strategic mica below the level that we think such a figure would be meaningless. The length of pegmatite could be, of course, much longer than the lengths between the intercept of the planes of the drill holes on the plane of the pegmatite. On the other hand, the amount of usable mica actually present might be much too small to be of commercial value. It is for this reason that we argued that further exploration of the East and West pegmatites could be justified.

If someone wishes to come up with a figure of estimated inferred reserves, it could be calculated with a little research from the information given and the Field Team's report, and Stoll's Professional Paper 229. In our opinion, however, such a figure would not be meaningful enough to spend much effort to derive it.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USBM (2)
Puffett

File Copy
Surname:
Houk
Selfridge
Weissenborn

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

APR 8 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 ~~- Mica~~
Idaho Beryllium & ~~Mica Corporation~~
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to the final field team report on the subject contract.

On Page 10 the statement on ore reserves appears inadequate for the purpose of evaluating the work under the contract. Perhaps sufficient work has been completed by this date to more properly evaluate the results of the DMEA work. Your statement concluding the paragraph on ore reserves that "there is no basis for calculation of reserves of mica in these two pegmatites" cannot be accepted, inasmuch as the strike length of the two pegmatites is known on the No. 5 level and the pegmatite is known to exist below the No. 5 level at least to its intersection with the diamond drill holes. An assumption can be made on the strike length of the pegmatite on the lower level and inferred reserves may be calculated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHS)

Approved:

J. H. Hedges (SHS)
Member, Bureau of Mines

T. P. Thayer (SHS)
Member, Geological Survey

LGHouk:gad 4/7/54
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Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.

File Copy
Surname:

Hugh
Larrabee
Hedges
Houk
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAR 15 1954

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 - MEUW
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Gentlemen:

Reference is made to your letter of September 30, 1953, requesting reconsideration of the denial for additional funds to explore the Muscovite Mine below the No. 5 adit level.

Our statement that the proposed new work is essentially development and preparation for mining of the known mica reserves that have been reasonably delineated at depth by diamond drilling is based upon the Stoll Report which states the mica content of the East and West pegmatites was so consistant in the upper levels that future exploration should be limited to simply determining their downward extensions. The diamond drilling program below the No. 5 level indicated their extension to depth.

Your statement, "we can continue volume production only if additional reserves are blocked out", indicates lack of understanding of the objectives of the Exploration Assistance Program. The DMEA program does not include work prosecuted primarily for mining or preparation for mining. Your request for additional funds is to perform the same work you proposed in your original application. This approach to exploration of the Muscovite Mine was evaluated and discarded, with company approval, in favor of the work performed under the recently completed contract. The recently completed contract has provided access to faces where mica can be produced and was successful in increasing the production potential of the Muscovite Mine. The exploration phase of the pegmatite mining sequence cannot be continued to a point where all potential targets are accessible for mining. I must, therefore, reaffirm my denial for additional exploration funds, and regret that this decision could not have been forwarded to you at an earlier date.

Sincerely yours,

O. O. Mittendorf

Administrator

LGHouk:gad 3/9/54
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Docket File
Field Team, Reg. 2
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

RC 3-19-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

Defense Minerals Administration
RECEIVED
MAR 12 1954

March 12, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2607

Contract Number: Idm-E426

Applicant: Idaho Beryllium & Mica Corporation

Name and Location of Property: Muscovite Mine, Latah County, Idaho

Date of Field Team's Final Report: February 19, 1954

Date Rec'd. by Ceramic & Fertilizer Materials Branch: March 9, 1954

Field Team's Recommendation:

1. Further exploration on the "new", "east" and "west" pegmatites.

Comments:

1. The report is adequate and clearly describes the activities under the DMEA contract.

2. The work appears to have been conducted in a workmanlike manner and at a cost not too much above the estimated and agreed unit costs. However, the operator failed to maintain detailed cost figures and did not keep adequate geological records.

The diamond drilling and underground drifting and raising showed that the pegmatites are irregular in shape and discontinuous. One vein was disclosed to plunge in the opposite direction from the others.

3. It is not possible to estimate the total reserves developed by the DMEA exploration because of a lack of knowledge concerning the quality and the mineral content of the pegmatites. On the basis of production records the reserves in the New pegmatite are from 50 to 100 tons of hand-cobbed mica, and the East and West pegmatites have been intersected by a diamond drill 65 feet below the floor of the No. 5 level and probably extend at least 100 feet below.

Recommendation:

The work to date has explored quite thoroughly the potentialities for strategic mica production in the block of ground above the No. 5 level and has disclosed the continuation of the East and West pegmatites 65 feet below the floor of the No. 5 level. The proposed additional work appears to be more in the nature of development rather than exploration and unless additional supporting evidence is forthcoming it is recommended that the denial of the application for additional assistance be sustained.

W. F. Dietrich

W. F. Dietrich

File Copy
Surname:

Idaho Beryllium

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

March 10, 1954

Memorandum

To: Mr. C. O. Mittendorf

From: Lawrence G. Houk

Subject: Idaho Beryllium and Mica Corporation's request for reconsideration of denial for additional exploration funds.

Recommendation: Re-denial

The subject application received July 7, 1952, for $49,181 to rehabilitate adit No. 5 for 490 feet from the portal and sinking an incline winze to a depth of 100 feet vertically below the No. 5 and driving approximately 300 feet of crosscut to intersect the east pegmatite and it was changed in the field with Idaho Beryllium and Mica Corporation's approval to explore the area below the No. 5 adit by diamond drilling to rehabilitate the No. 5 adit and drift and crosscut to explore for extensions of the "New Pegmatite" on the No. 5 level at cost of $28,700. The work was successful in finding the extension of a pegmatite 48 feet above the No. 5 level.

Proposed additional exploration could be expected to add approximately 10,000 tons of pegmatite, 4,700 of which are already included in the published reserve figures. The dollar value of the proposed target in place would be on the order of $300,000.

The pegmatites of the Muscovite Mine consist of four major bodies, the east, the central, the west and the New Pegmatite. The east and west pegmatites are a series of closely spaced lenses complexly interlaid with schists that contain sheet muscovite and beryl throughout their known extent.

The field team report states the mica content of the east and west pegmatites was so consistent in the upper levels, according to Stoll, that their future exploration should be limited to simply determining their downward extensions. In the New Pegmatite a block of ground ten feet in width, 15 feet high, and 90 feet long has produced 278,000 lbs. of cobbed mica that was shipped to the rifting shop.

R.C.J. 3-12-54

The east pegmatite has been open-cut over a length of 150 feet and an average of five feet in thickness. The west pegmatite was mined on the strike for 80 feet. The maximum known dip length is in excess of 280 feet and ranges from one foot to 15 feet in thickness. On the surface the east pegmatite is partially exposed over a strike length of 250 feet, on the No. 4 level 250 feet long and 4 to 6 feet thick. On the No. 5 level the east pegmatite is exposed on the sills of stopes No. 3 and No. 4 over strike lengths of 75 feet and 80 feet, respectively, but is not continuous between the two stopes.

Central pegmatite (West Branch): Its strike length is over 100 feet with an average thickness of about ten feet. The middle branch, an off-shoot of the east branch, is 70 feet long and 24 feet thick. The west pegmatite on the floor of the main pit is about 80 feet long. On the No. 5 level the pegmatite is 129 feet long, which ranges from about one foot to 13 feet in thickness.

The cost of production underground on the Muscovite Mine from May 1 to October 31, 1944, showed a total cost of $34.88 per ton of pegmatite mined, a cost of $18.19 per ton of rock excavated, a cost of $.303 per pound of mined cobbed mica recovered, and a cost of $4.15 per pound of sheet mica mined. The percentage breakdown of production costs showed underground expense to be 32.5%, surface expense 2.8%, depreciation and conservation loss 1.3%, mine royalties 8.2%, administration 10.7% and rifting and trimming 43.1%. The average wage was $8.75 per shift. Equipment and compressor rental was through the Colonial Mica Corporation and were nominal.

An analysis of the quality and grade of the total re-trimmed sheet mica produced from underground workings during World War II shows perhaps why the company is having difficulty in selling its product to the stockpile. Only 1.0% was No. 1 quality. Over 50% of the No. 1 quality was No. 6 size, the smallest acceptable under the present program. 15.8% was No. 2 quality of which 8.0% was No. 6 size, 82.5% was classified as No. 2 inferior quality and 39.4% of this was in No. 6 size. The re-trimmed sheet mica purchased by the Colonial Mica Corporation represented approximately 90% of the mica shipped to Asheville for sale.

General comments:

The Idaho Beryllium and Mica Corporation have received a development loan from the R.F.C. for $125,000. Repayment was scheduled to start July 10, 1952, at the rate of $3,000 per month. To August 31, 1953, $5,503.77 has been repaid. The defaulted $3,000 per month payments not made have been deferred to the end of the contract. Progress report received from the R.F.C. July 15, 1952, showed that $62,687.64 had been spent for machinery and equipment and $40,000 for operating expenses.

Production:

New Pegmatite 54,860 pounds @ $16,548 from September, 1953, to January, 1954.

West Pegmatite 70,220 pounds @ $21,066. Total royalty paid $1,886.68.

Proposal on Final Field Team Report:

Further drifting and crosscutting on No. 5 level "to establish whether the New Pegmatite has been intersected on No. 5 level and to test the Central Pegmatite in depth". Explore below No. 5 level "to determine if the pegmatite contains commercial concentrations of strategic mica".

The Field Team recommendations appear to be nullified by final statement in the transmittal letter. However, this reasoning is not logical nor is it an established criteria for denial although (e) The operating experience and background of the applicant leaves much to be desired.

The additional work is preparation for mining of an area known to contain mica of strategic quality. Despite the Field Team's enthusiasm and the operator's plea that they are financially unable to do the proposed work, the denial should be re-affirmed.

1. The reserves remaining in the New Pegmatite 50 tons @ $600 will provide an additional $1,500 royalty, plus the $1,886.68 received to date will give a total potential payback of $3,386.68 on the $24,299.33 assistance already granted.

2. The Operator is either incompetent or inefficient.

3. Although all potential targets within the area have not been opened to visual inspection, the combination of the diamond drilling, past stoping history, geologic habit of mica shoots (long dip length) makes safe the projection of the pegmatites to the proposed target. The proposed work is, therefore, development or preparation for mining.

4. An analysis of the underground production in World War II indicates 82% was No. 2 inferior quality or S & H S, 15% was No. 2 or G S and only 1.0% was #1 or F S and better.

5. Analysis of available data on hand cobbed mica sold indicates 14% G S - 67.5% S and 18.5% H S. The size distribution was 63% Grade 6 and 14% Grade 5½ and 14% Grade 5. This is under the present Emergency Procurement Service Mica Purchase Program.

LGHouk:gad 3/10/54

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Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

February 19, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Selfridge:

Attached are four copies of the final Field Team report on the exploration done by the Idaho Beryllium and Mica Corporation at the Muscovite mine, Avon Mining District, Latah County, Idaho, under DMEA Contract Idm-E426. This exploration has been successful in finding strategic mica and up to January 31, 1954, 151,166 pounds of hand-cobbed mica plus a few hundred pounds of beryl have been produced from ore bodies found or benefited by DMEA exploration. Of this, 80,946 pounds have come from underground mining on the New pegmatite and the remainder from the West pegmatite. Production from surface operations on the New pegmatite is not included in the above figures. Royalties amounting to $1,886.68 have been paid to date on 125,080 pounds of hand-cobbed mica plus a small amount of beryl; payment for a recent shipment of approximately 13 tons of hand-cobbed mica has not yet been received.

Production from the stope on the New pegmatite has averaged one ton of hand-cobbed mica per foot of vertical depth; on this basis reserves remaining in the New pegmatite would yield approximately 50 tons of hand-cobbed mica. There are several possibilities for finding substantial amounts of new ore reserves by well planned exploration, including exploration of the East and West pegmatites below the No. 5 adit and exploration of the Central pegmatite on the No. 5 level.

The operator has pending a proposal for the exploration of the East and West pegmatites below the No. 5 adit; final action by the Operating Committee has been withheld until a final report on the results of the exploration already done could be made available to them. The attached report gives all the technical information we have been able to obtain.

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

The production record from the property, and the fact that although present reserves are small, the probability of further discoveries is good, make it obvious that further exploration should be done. The Field Team has recommended Government participation in additional exploration on the property and on a technical basis this still appears to us to be a valid recommendation. Of significance, however, is the fact that the Idaho Beryllium and Mica Corporation has borrowed $125,000 from the R.F.C. for the construction of a mill to produce wet ground mica from retreatment of the dumps. Some beryl was supposed to be recovered but as has been pointed out in previous reports to the DMEA only a very small recovery of beryl could be expected. A pilot mill was in operation but no ground mica has been produced on a commercial basis and we are informed by company officials that they are in default to the R.F.C. on repayment of their loan. They now propose to cease for the present the attempt to produce ground mica and concentrate on producing strategic mica from the mine until the amount of the R.F.C. loan has been repaid. Obviously if the company is to continue in existence it is essential that ore reserves be increased, but the company's poor financial position is a decidedly unfavorable factor. As we understand the situation, practically all of the operating returns will go to the repayment of the R.F.C. loan, leaving nothing with which to finance exploration and development. Obviously the only hope would be for the company to make an arrangement with the R.F.C. so that sufficient funds from production of strategic mica would be made available for exploration and development to ensure continuation of the operation, but until the company's financial difficulties can be resolved we doubt the wisdom of further Government participation.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew

~~Wing G. Agnew, Acting~~ Member
U. S. Bureau of Mines

Enclosure
cc: USBM (2)
Puffett

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION II

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Region 3
MAR 2 C 1954

gab
3/12/54

FIELD TM's FINAL REPORT

FINAL REPORT

Contract Idm-E426

by

H. S. Anderson
Mining Engineer
U. S. Bureau of Mines

Willard P. Puffett
Geologist
U. S. Geological Survey

IDAHO BERYLLIUM AND MICA CORPORATION
Deary, Idaho

Docket No.:	DMEA-2607
Commodity:	Mica
Effective date:	October 27, 1952
~~Termination~~ Completion date:	August 24, 1953

MUSCOVITE MINE
Avon Mining District
Latah County, Idaho

Reviewed by
DMEA OPERATING COMMITTEE
3-5-54
(date)

Spokane, Washington

February 16, 1954

FINAL REPORT

IDAHO BERYLLIUM AND MICA CORPORATION
Muscovite Mine
Latah County, Idaho

Contract Idm-E426

INTRODUCTION

This report describes a project conducted by the Defense Minerals Exploration Administration in cooperation with Idaho Beryllium and Mica Corporation for the exploration of mica-bearing pegmatites at the Muscovite mine northwest of Deary, Latah County, Idaho.

Authorship

This final report was written jointly by W. S. Anderson, U. S. Bureau of Mines, and Willard P. Puffett, U. S. Geological Survey.

Summary

The purpose of the project was to explore for deeper extensions of the New, East, and West pegmatites at the Muscovite mine. Work included rehabilitation, drifting, crosscutting, raising, and diamond drilling from surface and underground stations.

Diamond drilling indicated the East and West pegmatites extend in depth to at least 100 feet beneath the No. 5 level. Drifting and raising on and above the No. 5 level disclosed a pegmatite which may be the downward extension of the New pegmatite. This pegmatite is at least 40 feet long and averages at least 10 feet in width. Stoping on this pegmatite from September 1953 to January 1954 has yielded in excess of 80,946 pounds of hand-cobbed mica plus a few hundred pounds of beryl. 40 Ton / 30 ft = 1.3 Tons per foot

Recommendations

A Certification of Discovery or Development was issued January 12, 1954, as a result of work completed under the DMEA contract. Further crosscutting and drifting from the DMEA drift on the No. 5 level is warranted to more certainly establish whether the New

pegmatite has actually been intersected on the No. 5 level, and to test the Central pegmatite in depth. The East and West pegmatites should be explored below the 500 level to determine whether extensions of these pegmatites indicated by diamond drilling contain commercial concentrations of strategic mica.

LOCATION AND ACCESSIBILITY

The Muscovite mine is in the Avon mining district in the eastern part of Latah County in sec. 22, T. 41 N., R. 2 W., Boise Meridian, about 23 miles northeast of Moscow, the county seat. The nearest towns are Avon, which is 3 miles south, and Deary, which is 5 miles south-southeast. The mine is near the center of section 22 on and near the crest of a long, wooded ridge that extends southward from Mica Mountain. The workings are on a patented mining claim and extend from an altitude of 4,181 feet, at the portal of the No. 5 adit, to about 4,660 feet at the crest of the knoll on which the pegmatites crop out.

Access to the mine is by approximately 10 miles of gravelled road from Deary, Idaho. The last 3 miles of this road requires considerable maintenance during the winter months. The rest of the road is maintained year round by county highway crews.

Climate in the area is marked by heavy snows during the winter which generally cover the ground four to five months of the year. Although there is considerable rainfall during the summer months, water supply for milling purposes is a problem as the mine is on the top of the hill, far removed from streams and other natural water storage places.

PROPERTY

The property covered under the exploration project contract is the NW¼SE¼, the SE¼NW¼, and the S. 330 feet of the NE¼NW¼, all being in sec. 22, T. 41 N., R. 2 W. of the Boise Meridian. Also, the surface rights to the Muscovite Mica and Lawrence Mica Lode Mining Claims, designated by the Surveyor General as Lot No. 1048, in the Robinson mining district, County of Latah, State of Idaho, recorded June 20, 1894, in Book 15 of Deeds at page 247, records of Latah County, State of Idaho.

Amendment No. 1 of the contract modified part of the third sentence of Article 6(a), "any minerals mined or produced from the land described in Article 2" to read as follows: "Any minerals mined or produced from the land described in Article 2, below a horizontal plane drawn at the bottom of the No. 4 level at an altitude of 4,290 feet (regardless of the portal through which they are extracted) together with all minerals mined or extracted from the land described in Article 2 through the No. 5 tunnel."

Mine Workings and Plant

The workings 1/ at the property consist of five levels of which all but the No. 5 level and part of the No. 4 level are caved.

The interval between the No. 5 level and the No. 4 level is approximately 100 feet. A sublevel was driven approximately 25 feet below the No. 4 level for a distance of about 230 feet. The No. 3 level and part of the No. 4 level have been obliterated by the open pit workings.

The No. 5 level includes 1,690 feet of crosscutting and drifting of which 472 feet were completed under the exploration project contract.

There are six stopes extending upward from the No. 5 level with the No. 6 stope starting from the raise near the face of the DMEA crosscut.

In the fall of 1952 the operator drove a raise on a bearing of N. 66° E. and at an angle of 69 degrees from a point 180 feet N. 60° E., from USBM Station no. 200. This raise intersected an old stope on the West pegmatite, and by November 28, 1953, had produced 70,220 pounds of mica from the area adjacent to this old stope.

The DMEA crosscut through the mica schist required support only where faults or fractures were intersected, but in the alteration zone surrounding the pegmatite timber was needed as the ground sloughed rather badly.

Ventilation of the workings was provided by a blower and vent pipes and was adequate at all times.

Near the portal of the No. 5 level the operator has constructed a mill building, combination cook- and dry house, and a small office. The trimming shed, in which fifty women were employed during the fall of 1952, is located at Deary, Idaho. The trimming shed is not in operation at the present time as the cobbed mica is shipped directly from the mine to the buyer.

1/ Stoll, W. C., Mica and Beryl Pegmatites in Idaho and Montana, U. S. Geol. Survey Prof. Paper 229, pp. 36-37, 1950.

The operator has some equipment placed in the mill building, principally a De Anza mill for grinding flour mica and some settling tanks. Mr. Albert Smith, engineer for the corporation, made some test runs with the mill and produced flour mica which was 70 percent minus 325 mesh. The De Anza mill is a new design which wet grinds the mica by attrition.

Mining Method

The operator is using a cut and fill method of stoping and is carrying a 7' x 3.5' two-compartment 3" x 12" plank cribbed raise up with stope advance. The fill is carried within 6 feet of the back to allow sufficient head room to work over the muck pile for hand cobbing operations and for drilling.

THE PROJECT

The Muscovite mine is the largest mica producer in Idaho and one of the largest producers in the United States 2/. Prior to 1942, at least 920 tons of crude mica were produced, and during the period from October 1943 to May 1945 a total of 1,294,963 pounds of cobbed mica were produced.

As a result of surface and underground mining operations it was found that the pegmatites, though perhaps not continuous, do persist down dip and retain their characteristics which include promising quantities of strategic quality muscovite plus minor amounts of beryl.

During the summer of 1952 the operator exposed on the surface a hitherto unknown pegmatite which proved to contain a remarkably high percentage of good sheet mica. This he called the "New" pegmatite. Following this discovery exploration was proposed to attempt to locate the downward projection of the New pegmatite and also explore for extensions of the East and West pegmatites.

The original exploration proposal included sinking a 100-foot winze from the No. 5 level on the East pegmatite with drifts and crosscuts to be driven to explore the East and West pegmatites from this winze. Total cost of this program was estimated at $49,181.

2/ Stoll, W. C., op. cit., pp. 36-48.

After discussions between the applicant and the DMEA Field Team, the proposal was modified to a stage-type program, the first stage to include diamond drilling from surface stations to explore for the downward projections of the New, East, and West pegmatites, and the second stage, dependent on success of Stage I, to include rehabilitation of 370 feet of No. 5 level, and 600 feet of drifting and crosscutting from the No. 5 level to intersect the New pegmatite on this level. Total estimated cost of the modified program was $41,327.

Before final action was taken on this proposal the operator completed a diamond drill hole from the surface which he stated intersected the extension of the New pegmatite at an elevation 65 feet beneath the No. 5 level. Because of this the program was further modified to permit underground work to commence without further drilling from surface stations and a unit cost project contract for a total of $28,700 was awarded the operator on October 27, 1952.

It was necessary to amend Article 6(a) of the contract before the operator would accept the contract. This article states that in the event a discovery was made and certified the operator would pay royalty to the Government on all production from the land described in the contract. As the operator had been producing muscovite from surface operations prior to the contract date, and planned to mill the old dumps for ground mica, it was necessary to exclude the area of these surface operations from royalty repayments. This was done by means of Amendment No. 1 which specifies that all minerals produced below a horizontal plane drawn at the No. 4 level shall be subject to royalty if a discovery is certified and excludes from payment of royalty those produced from above the No. 4 level unless extracted through the No. 5 tunnel.

Project work began immediately upon receipt of the amended contract. Rehabilitation of 330 feet of the No. 5 level was completed, followed by drifting northward from the main crosscut at a point 329.5 feet from the portal. Drifting was continued for 275 feet, at which location a crosscut was driven for about 30 feet on a bearing of N. 75° E. This crosscut was driven to intersect the projected downward extension of the New pegmatite but was unsuccessful in exposing pegmatitic material.

Diamond drilling was then done to attempt to find the downward extension of the New pegmatite. Eight holes, totaling 848 feet in length, were drilled from underground stations on the 500 level. Locations of these holes are shown on the accompanying plan and section map. Only 754 feet of this drilling was claimed as DMEA contract work by the operator. This underground drilling indicated

strategic mica in pegmatities correlating with the downward projections of the East and West pegmatites but failed to find the New pegmatite. Consequently, Amendment No. 2 was prepared to permit drilling from the surface. Three holes, totaling 446 feet, were drilled from one surface station. These holes were directed to intersect the New pegmatite at an intermediate elevation between the No. 5 level and surface. A wide zone of tourmalinized schist was indicated by these holes. Some pegmatitic material was recovered in the core of one hole. Drilling indicated that instead of plunging to the south, the New pegmatite plunges to the north, thus differing from other pegmatites at the Muscovite mine. (Summary of diamond drill logs is included in Annex.)

As a result of information gained from diamond drilling, the No. 5 level drift therefore was extended in a northeastward direction and after advancing 70 feet intersected much altered schist containing tourmaline and occasional pods of feldspars. Another 50 feet of drifting exposed a pegmatite measuring 43 feet in length and having a maximum width of 8 feet. This pegmatite contained beryl, muscovite, coarse-grained tourmaline, cleavlandite, and minor amounts of radioactive material, predominantly metatorbernite. The pegmatite is similar in mineral content to the New pegmatite, as exposed at the surface, except that on the No. 5 level the mica is not of strategic quality.

Amendment No. 4 authorized a raise on this pegmatite to determine whether the quality of the mica improved above the drift. At a point 43 feet above the No. 5 level an intermediate drift 59.5 feet long was driven on the pegmatite. This drift showed that at this level the pegmatite contains strategic quality muscovite.

The intermediate drift from the top of the raise completed the exploration project. Thirty-five (35) feet of drifting was not utilized as the objectives of the exploration were regarded as having been accomplished, and the project was considered completed on August 24, 1953.

The operator began stoping from the top of the raise. In January 1954, an air raise was driven from the stope to the surface. This raise is reported to be nearly vertical. From this raise a drift to the south surfaced above the floor of the open pit on the New pegmatite. The operator reports the raise and drift followed a pegmatite and he believes the pegmatite is a continuation of the New pegmatite. At the time of writing this report this had not been checked but if the operator's observations are correct the pegmatite found in the DMEA drift is the downward extension of the New pegmatite. It also appears that the pegmatite found in the No. 5 level drift

correlates with the northwest branch of the Central pegmatite (see section on Geology); thus this Central pegmatite and New pegmatite apparently join above the No. 5 level.

Geology

A detailed geologic description of the Muscovite mine is included in the U. S. Geological Survey Professional Paper No. 229, entitled "Mica and Beryl Pegmatites in Idaho and Montana" by W. C. Stoll, published in 1950.

The country rocks in the Muscovite mine area are metamorphosed Belt sediments of pre-Cambrian age and consist for the most part of mica schist with some gneiss. Many pegmatites and at least one basalt dike occur in the schist. Approximately one mile to the east of the mine the schist has been intruded by granodioritic rocks of Jurassic (?) age.

The general structure of the metasediments shows a foliation striking nearly due north and dipping steeply to the west more or less parallel to the bedding. There are many local contortions of these folia, especially near pegmatites. Many of the minor folds plunge steeply to the southwest. Stoll states, "Possibly it would appear that the sedimentary rocks in the course of regional deformation were first folded isoclinally with development of axial plane foliation and later both foliation and bedding were folded again . . ."

A number of pegmatites have been explored at the Muscovite mine. Four of these, from which the major production has been achieved, have been designated as the West, Central, East and New pegmatites. All but the New pegmatite have been described in detail in Stoll's report. These pegmatites are closely spaced and all but the Central pegmatite are concordant with the schistosity of the enclosing country rock. The Central pegmatite consists of three branches, the northwest branch being discordant with the foliation of the schist. The East and West pegmatites are both closely spaced pegmatitic bodies which show very little evidence of zoning but from which considerable sheet mica and beryl have been produced. The Central pegmatite is much larger than the East and West pegmatites and is a zoned pegmatite, containing a recognizable core, wall zone, and border zone. The East, Central and West pegmatites have been exposed in open pits and in underground workings to the No. 5 level, a maximum vertical distance of 280 feet.

The New pegmatite was discovered in the early part of the summer of 1952. It is described in a DMEA examination report dated August 13, 1952, by V. C. Fryklund, U. S. Geological Survey, who states that the New pegmatite strikes roughly due north (concordant to foliation of the enclosing schist) and dips about 65° to the west.

No border zone was noted. The wall zone is albite-quartz-muscovite-beryl pegmatite that may reach 10 feet in width on the hanging wall side of the pegmatite but is only 2 to 3 feet in width on the footwall side. The core is albite-tourmaline pegmatite that contains a few books of mica. On the surface the New pegmatite is approximately 120 feet long, attaining a maximum width of 30 feet and has been unusually productive of strategic mica. Little more concerning the character of the pegmatite has been obtained since Fryklund's examination. Uranium-bearing minerals, mainly metatorbernite, were found near the borders of the pegmatite during the open pit mining operation but not in sufficient quantities to be worth saving. Indications were that the New pegmatite plunged steeply to the southwest, but inasmuch as it was not mapped as the pit was deepened, definite information on the plunge is not available.

The DMEA drift exposed a pegmatite 43 feet long with a maximum width of 8 feet. This pegmatite is aligned parallel to the foliation of the enclosing schist and is tear-shaped in plan, the blunt end being to the north.

On the No. 5 level the southern tip of the pegmatite consists of very coarse-grained albite (cleavlandite), concentrations of smoky quartz and black tourmaline measuring as much as 4 inches in diameter, and a few books of sheet mica. The east and south walls of the southern tip of the pegmatite contain much fine-grained feldspar, quartz, and muscovite, plus some narrow stringers of smoky quartz in which are found occasional crystals of light green beryl measuring up to three-fourths of an inch in diameter. Seventeen (17) feet north of the southern tip, lenses of nearly solid gray quartz measuring as much as 14 inches in width and trending north and dipping 40 degrees to the west, are found in the central portion of the pegmatite. Surrounding these quartz lenses is much coarse-grained cleavlandite, and some muscovite books 2 to 4 inches wide. A 14-inch band of massive, black tourmaline occurs near the west side of the pegmatite, 30 feet north of its southern tip. On the edge of this tourmaline band there is much sheet mica in books up to 6 inches in width. This muscovite is not of strategic quality, being greenish in color and relatively soft. Scattered small books of muscovite and occasional tourmaline crystals occur throughout the northern part of the pegmatite. Radioactive anomalies were indicated by a Geiger counter in the pegmatite near its southern tip and on its west wall approximately 30 feet north of this tip. The schist surrounding the southern end of the pegmatite is highly altered, containing much tourmaline and some feldspar concentrations. Crosscutting east from the DMEA drift through the area south of the pegmatite should be done to determine whether the end of the pegmatite has actually been reached.

A raise was driven 39 feet on the pegmatite before strategic quality mica in any quantity was encountered. As of December 2, 1953, the pegmatite has been stoped from here to a point 68 feet above the No. 5 level.

Two pegmatites are exposed in the stope. One, in the northeast extension of the stope, is only partially outlined, only its south and west margins having been exposed. This pegmatite trends nearly east-west, but it does contain narrow bands of strategic quality mica paralleling the strike of the foliation of the enclosing schist. This pegmatite correlates with the downward extension of the northwest branch of the Central pegmatite but where exposed in the stope does not contain commercial quantities of muscovite. The other pegmatite in the stope is the upper extension of the pegmatite found in the DMEA drift. In the stope this pegmatite is at least 40 feet long (the north end has not been exposed) and averages 13 feet in width. This pegmatite exhibits only rudely-defined zoning, with a 1-foot fine-grained band of albite, muscovite, and quartz along its eastern wall and a generally very coarse-grained albite, quartz, and tourmaline zone in the central portion. The most productive sheet mica zone is confined to the west (hanging wall) portion of the pegmatite where fine-grained albite, quartz, and ~~muscovite~~ are noticeably absent. No radioactive minerals were seen in this pegmatite, although the operator reports their occurrence. Beryl occurs very sparsely. Many narrow fractures offset bands within the pegmatite.

On December 2, 1953, a tape and compass traverse was made by DMEA personnel to determine the relative positions of the New pegmatite in the open pit and the pegmatite exposed in the stope. This traverse disclosed that the downward extension of the New pegmatite may not have been intersected by DMEA exploration. The pegmatite in the stope is too far to the north and has a plunge too nearly vertical to correlate satisfactorily with the New pegmatite. The bottom of the pit was found to be less than 35 feet vertically above the top of the stope, thus if the pegmatite in the stope were to correlate with the New pegmatite, its plunge would have to flatten sharply for it to extend southward to the pit. Such a flat plunge is not impossible but is so different from the usual plunge of other pegmatites that the authors are reluctant to accept the correlation on the available evidence. There is the possibility that another pegmatite occurs immediately south of the stoped area, which could be satisfactorily correlated with the New pegmatite.

Since the above was written, the operator extended the raise from the stope to the surface just north of the New pegmatite and he reported that he had followed pegmatite all the way. If this is true, the New pegmatite either plunges very flatly to the north,

or there is a "root" of the pegmatite to the north that has not been completely exposed by surface work. Additional mapping is required to clarify this relationship.

The second pegmatite in the stope above the No. 5 level is northeast of the pegmatite followed by the raise. This pegmatite appears to be discordant with the foliation of the schist. Only one side of this pegmatite was exposed, and thus little detail could be obtained. There is a good possibility that this pegmatite represents the downward extension of the northwest branch of the Central pegmatite.

Production from the stope on the newly discovered pegmatite amounted to 54,860 pounds of hand-cobbed mica as of November 27, 1953. This production represents an average of about one ton of hand-cobbed mica per foot of upward advance on the pegmatite.

Ore Reserves

At present there is uncertainty that the pegmatite being followed in the stope is the downward extension of the New pegmatite. If it is true that this is the New pegmatite, then there remains a reserve of less than 50 tons of hand-cobbed mica. If, on the other hand, it is a different pegmatite, this figure for reserves can quite justifiably be doubled, for it is reasonable to predict that the New pegmatite extends some distance below the pit level. Furthermore, there is also the probability that the pegmatite being stoped extends upward to an elevation equal to or higher than the elevation of the bottom of the open pit of the New pegmatite. Some reserves still remain in that unmined portion of the pegmatite between the No. 5 level and the bottom of the stope, although no information on the percentage of hand-cobbed mica in this part of the pegmatite is available.

Diamond drilling has indicated that the East and West pegmatites extend to an elevation at least 100 feet lower than the No. 5 level. Drilling shows the thickness of these pegmatites at this level compares closely with their thickness on the No. 5 level and that they contain strategic quality mica over a width of at least 17 inches (see log on DDH 6U). No information has been obtained as to the strike length of the pegmatites on the lower level. As a consequence of inadequate information concerning the character of these two pegmatites at depth, there is no basis for calculation of reserves of mica in these two pegmatites.

Summary of Factual Data

The total amount allowable under the exploration project contract was $28,700 with the Government's participation at 90 percent or $25,830.

Total funds expended under the contract were $26,999.25 with the Government's participation amounting to $24,299.33.

Total work completed under the exploration project contract with attendant costs is tabulated below:

Description of Work	Units	Unit Cost	Total Cost
Initial rehabilitation and repairs	330 ft.	$12.50 - first 50' 7.50 - next 90' 5.00 - next 190'	$ 2,250.00
Timbering	211 ft.	5.00/ft.	1,055.00
Drifting and crosscutting No. 5 level From DMEA raise	 472 ft. 59.5 ft.	 32.50/ft.	17,273.75
Raising	43 ft.	32.50/ft.	1,397.50
Diamond drilling Underground Surface	 754 ft. 446 ft. 1700	 4.00/ft. 4.50/ft.	 3,016.00 2,007.00 5 023
			$26,999.25

The contract was on a unit-cost basis with the operator being paid a specified unit cost for actual units of work completed. As the operator did not break down the costs into separate operations for exploration and for open pit mining, actual costs for the exploration drifts and crosscuts could not be determined.

Mr. Albert Smith, engineer for the Idaho Beryllium and Mica Corporation, stated that in the exploration drifts and crosscuts 6.25 pounds of powder per foot of advance was normal powder usage. Powder costs, using this amount of powder per foot, would be approximately $1.35 per foot, which is considerably lower than the $3.26 per foot for powder usually estimated for projects in Region II.

The drifts and crosscuts were driven by contract miners who received $13 per foot of advance with an average advance of 4 feet per shift.

The operator stated the actual cost for timbering in exploration headings was $6.75 per foot, which is $1.75 per foot over agreed unit costs.

As the costs for labor, powder and timber were the only actual cost records available, with the costs for bald headings being $14.35 per foot and for timbered headings $21.10 per foot, using only the above-mentioned items plus costs for steel, power, depreciation allowance, engineering and operating overhead, it appears that the agreed unit cost of $32.50 per foot is an equitable cost.

Production from the stope opened up from the DMEA raise has been 54,860 pounds of hand-cobbed mica for which the operator received $16,548. The stope on the West pegmatite produced 70,220 pounds of hand-cobbed mica for which the operator received $21,066. This was the production to and including November 28, 1953, and from which the Government received a royalty check in the amount of $1,886.68.

Discussion of Conclusions

In all work completed under the exploration project contract the operator maintained good standards of workmanship and the rate of advance in headings was satisfactory. His engineering, surveying, and geological records, however, could have been much improved.

The two main guides to exploration for pegmatites at the Muscovite are areas of altered tourmalinized schist and down-dip projections of known pegmatites. There is also an indication of a general plunge of pegmatites to the southwest but this plunge is not consistent.

A number of areas warrant further exploration. As there is a question whether the New pegmatite has been intersected at depth, more exploration to prove this extension should be planned. Diamond drilling or crosscutting eastward from the DMEA drift at regular intervals south of the pegmatite exposed in the DMEA drift would determine if the pegmatite occurs in that area. It appears that a deeper extension of the northwest branch of the Central pegmatite has been intersected in the stope on the DMEA pegmatite. More exploration in the form of drilling or crosscutting and drifting from the north end of the DMEA drift is warranted to determine if this pegmatite persists to the No. 5 level. Additional work to test the main part of the Central pegmatite on the No. 5 level is warranted. Diamond drilling has indicated pegmatites at an elevation 100 feet lower than the No. 5 level. Insufficient drilling was done to prove continuity of these pegmatites but indications are that they are downward extensions of the East and West pegmatites. The extensions seem reasonably certain, but whether the mica is good enough is not known. Exploration by further drilling or by sinking is warranted to more fully determine the characteristics of these pegmatites that have been indicated by drilling. Experience has proved that most of the

pegmatites at the Muscovite mine contain strategic quality mica and subordinate recoverable quantities of beryl. As both of these minerals are strategic, further exploration to test the pegmatites in the immediate area under the DMEA program can apparently be justified.

Attachment - 1

Distribution:
DMEA (4)
USBM (5)
USGS (SRO)
Docket
Puffett

ANNEX

Summary of Drilling from Underground Stations
(All in DMEA drift on No. 5 level)

Hole No.: 1U
Location: 10,462N, 10,319E
Bearing: N. 76° E.
Inclination: Horizontal
Length: 80 feet

Remarks: Entire hole in schist, foliation 60-70° to center line. Tourmalinized schist 37-42 feet, and 54-68 feet. No pegmatite recovered in core. Total length of core recovered, 42.6 feet; percentage core recovery, 53.3 percent. Core recovery practically nil between 42 and 56 feet. Percentage core recovery in other portions of hole ranged from 60 to 80 percent.

Hole No.: 2U
Location: 10,455N, 10,300E
Bearing: N. 76° E.
Inclination: Minus 45°
Length: 110 feet

Remarks: Entire hole in muscovite schist, foliation 65-75° to center line of core. Tourmalinized schist 56-69 feet, and 85-92 feet. No pegmatite recovered in core. Total length of core recovered, 58.6 feet; percentage core recovery, 53.3 percent. Core recovery very low in tourmalinized schist; other portions of hole core recovery averaged slightly more than 60 percent.

Hole No.: 3U
Location: 10,447N, 10,284E
Bearing: S. 76° W.
Inclination: Plus 45°
Length: 78 feet

Remarks: This hole was not logged as it was reported that no pegmatite or tourmalinized schist was intersected by it.

Hole No.: 4U
Location: 10,303N, 10,286E
Bearing: N. 90° E.
Inclination: Minus 50°
Length: 140.5 feet

Remarks: Scattered tourmaline in schist was intersected from 64 feet to end of hole. One-inch wide bands of pegmatite were intersected at 79.5, 95.5, 95.7, and 99 feet. A 2-inch wide band of pegmatite was intersected at 126.5 feet and 14 inches of pegmatite was recovered beginning at 129.7 feet. This suggests two pegmatite zones were intersected--one between 95 and 100 feet and the other between 125 and 130 feet. Total core recovered in the hole was 110.75 feet, representing 79 percent recovery. Recovery in the pegmatite zones was from 95-100 percent.

Hole No.: 5U
Location: 10,463N, 10,319E
Bearing: N. 68° E.
Inclination: Minus 30°
Length: 92 feet

Remarks: Entire hole in muscovite schist. Tourmalinized schist 51-62 feet and 76-83 feet. Sheet mica was intersected some place between 79 and 81 feet. No pegmatite recovered. Total length of core recovered equalled 37.1 feet, representing 40.2 percent core recovery. Core recovery averaged very low throughout length of hole.

Hole No.: 6U
Location: 10,303N, 10,286E
Bearing: N. 90° E.
Inclination: Minus 33°
Length: 130 feet

Remarks: Entire hole in muscovite schist. Scattered tourmaline in schist from 64 feet to end of hole. One-inch wide pegmatite at 90.5 feet; three-inch wide pegmatite at 92 feet; seven-inch wide pegmatite at 108.5 feet; and 17-inch wide pegmatite at 127 feet. Sheet mica found in the pegmatite at 108.5 and 127 feet. Total length of core recovered is 100 feet, representing total core recovery of 77 percent. Complete core recovery in the pegmatite at 127 feet but core recovery in other pegmatite areas ranged from 40 to 60 percent.

Hole No.: 7U
Location: 10,307N, 10,287E
Bearing: N. 79° E.
Inclination: Minus 30°
Length: 140 feet

Remarks: Entire hole in muscovite schist. Scattered tourmaline in schist from 61 feet to end of hole. Three-inch wide pegmatite at 77 feet; 12-inch wide pegmatite with sheet mica at 107.5 feet; and 6 feet of pegmatite with sheet mica between 126-132 feet. Eighty percent core recovery between collar and 87 feet, nearly 100 percent core recovery thereafter. Six-foot wide pegmatite at 126 feet; core recovery 100 percent. Made up of coarse albite, some quartz, with many books of sheet mica. Mica only slightly stained, appears to be of strategic quality.

Hole No.: 8U
Location: 10,398N, 10,297E
Bearing: N. 90° E.
Inclination: Horizontal
Length: 81 feet

Remarks: This hole was not logged. No pegmatite was intersected although zones of tourmalinized schist were intersected. This hole was not claimed under DMEA contract.

Summary of Drilling from Surface Station

All holes were drilled from a drill station at 10,464N, 10,260E at an elevation of 4,345 feet.

Hole No.: 23
Bearing: N. 80° E.
Inclination: Minus 50°
Length: 148 feet long

Remarks: Entire hole in muscovite schist. Foliation 70-85° to center line of core. Alteration zone with much tourmaline, scattered tiny beryl (?) crystals, and granular muscovite to 0.1 inch wide, from 118 feet to approximately 145 feet. Hole ends in light gray muscovite schist. Total length of core recovered is 99.1 feet, representing 67 percentage core recovery. Core recovery in unaltered portions of the schist averaged from 70 to 80 percent.

Hole No.: 3S
Bearing: N. 68° E.
Inclination: Minus 50°
Length: 149 feet

Remarks: Alteration zone with much tourmaline from 118 feet to 139 feet. Other parts of core is gray to brownish gray muscovite schist. Alteration zone has few tiny beryl crystals plus tiny grains of metatorbernite from 130 feet to 131 feet. Tourmaline diminishes in quantity from 131 feet to 139 feet. Total length of core recovered is 98.2 feet, representing 66 percent core recovery. In area outside of alteration zone, core recovery was 73 percent.

Hole No.: 4S
Bearing: N. 55° E.
Inclination: Minus 50°
Length: 149 feet

Remarks: Alteration zone from 119 feet to end of hole. Only 2 feet of core recovered in this zone. Two inches of pegmatite intersected at 132 feet. Other than in this zone, core recovery totalled 92.90 feet, representing percentage core recovery of 78 percent. It is believed the pegmatite intersected in this hole represents the downward extension of the New pegmatite. This has, in part, been substantiated by drifting to the pegmatite on the No. 5 level subsequent to the drilling of this hole.

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BUREAU OF MINES
MAIL ROOM
WASHINGTON D C.

DMEA 607

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M GEORGE C SELFRIDGE CHAIRMAN

OPR COMMITTEE DMEA DEPT INTERIOR WA

REURTT FEBRUARY 12, WILL TRY TO HAVE BOTH IDAHO BERYLLIUM AND MICA AND WHITE PINE LEAD REPORTS, IDM-E246 AND E273 READY BY FEBRUARY 20.

A E WEISSENBORN EXEC OFCR FLD TEAM REG II SP

12 IDM-E246, E273 20

AC 344

FEB 15 9 34 AM '54

BUREAU OF MINES
MAIL ROOM
WASHINGTON D C.

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Surname:

Mark
Hedges
Lafferty
Selfridge
Fitzsimmons
Whitenday

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Dept. of the Interior
DMEA X-2971 Room 4657

DMEA

1413923.970 Working Fund,
Interior, Defense Minerals Exploration
Administration

February 12, 1954

TELETYPE

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington

Subject: DMEA-2607, Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho, Contract No. Idm-E426.

Please forward final field team report on Idaho Beryllium and Mica Corporation, DMEA-2607, Idm-E426 as soon as possible as a decision must be made on its request for reconsideration of denial for additional exploration assistance.

George C. Selfridge (2/13)
George C. Selfridge
Chairman, Operating Committee
Defense Minerals Exploration Administration

LGHouk:gad 2/12/54

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S. 2-12-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

January 15, 1954

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 North Division
Spokane 2, Washington

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Hindman:

Attached is a copy of a letter from General Services Administration dated December 29, 1953, to which is attached a summarization of all purchases from the Idaho Beryllium & Mica Corporation. This answers our request to GSA of December 22, 1953. Your attention is directed to the fact that in this summary of shipments is included those that were made by the Company prior to the effective date of the exploration project. These include the first four shipments listed under program A. It is also noted that the last shipment under program B, dated November 30, 1953, was not included in the December 10, 1953, letter to us from Mr. Orville Slette, Manager, as payment for this shipment was made subsequent to Mr. Slette's letter.

Also attached is a copy of a letter from the Operating Committee dated January 4, 1954 (answering our letter of December 22, 1953), to which is attached a copy of a letter from Mr. W. S. Flynt of the Spruce Pine Mica Depot to Mr. Houk of the Washington office stating that Idaho Beryllium & Mica Corporation would not accept their evaluation and consequently no shipments have been received by them.

This information will substantiate Check No. 2103 received from the Operator and sent you on December 29, 1953.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Attachments as indicated
cc: DMEA w/encl.

GENERAL SERVICES ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

Custer, South Dakota
December 29, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

ATTENTION: A. E. Weissenborn

Re: Docket No. DMEA - 2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. 1DM-E-426

Dear Mr. Weissenborn:

Receipt is acknowledged of your letter of December 22nd requesting copies of settlement documents covering purchases from the Idaho Beryllium and Mica Corporation.

We are unable to furnish you with copies of these documents but in lieu thereof attached find summary of all purchases from this company to date.

On all future purchases we will prepare an extra copy of settlement document at the time payment is made and same will be forwarded to you promptly.

Very truly yours,

J. F. McGinness
Depot Superintendent

JFMcG:erv

SCHEDULE OF MICA PURCHASES FROM THE
IDAHO BERYLLIUM AND MICA CORPORATION, DEARY, IDAHO

WAI NO.	PROGRAM	POUNDS	AMOUNT PAID	DATE RECEIVED AT DEPOT
C - 3	A	1,983.72	$ 24,878.91	7/22/52
C - 7	A	2,409.28	28,694.07	8/20/52
C - 22	A	2,213.03	25,764.74	9/15/52
C - 34	A	1,346.73	13,449.42	10/2/52 as content 10/27/52
C - 47	A	1,846.19	18,723.58	10/29/52
C - 64	A	1,694.59	17,052.99	11/28/52
C - 82	A	1,000.00	12,035.83	12/31/52
C - 92	A	1,200.00	9,423.99	1/22/53
C - 103	A	1,227.13	15,809.00	2/16/53
C - 122	A	100.50	957.00	4/6/53
C - 132	A	354.75	3,412.25	4/29/53
C - 141	A	322.00	3,315.50	5/16/53
C - 144	A	290.00	3,176.00	5/25/53
C - 152	A	307.37	2,893.68	6/8/53
C - 167	A	389.27	3,336.74	6/25/53
C - 168	A	200.00	1,594.80	7/2/53
C - 191	A	200.00	1,833.99	7/29/53
C - 210	A	200.41	1,812.80	8/22/53
C - 223	A	215.00	1,701.87	9/25/53
C - 228	A	218.22	1,823.68	10/6/53
C - 232	A	210.25	1,828.12	10/13/53
C - 244	A	364.12	3,276.74	10/29/53
TOTALS		18,292.56	$196,795.70	$10.76 per pound

C - 68	B	80,000	24,000.00	12/4/52
C - 198	B	73,950	22,185.00	8/3/53
C - 209	B	35,050	10,515.00	8/22/53
C - 240	B	33,849	10,154.70	10/28/53
C - 245	B	34,515	10,354.50	11/4/53
C - 257	B	41,181	12,354.30	11/30/53
TOTALS		298,545	89,563.50	$0.30 Cents

I, HEREBY CERTIFY THAT THE DATA REFLECTED ABOVE IS CORRECT ACCORDING TO THE RECORDS OF THIS OFFICE.

SIGNED: J. F. McGinness

TITLE: Depot Superintendent

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

600

JAN 12 1954

Houk
Parker
Hoffman
Chambers
Hedges
Thayer
Schrudge
Kilpatrick

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-1426

Gentlemen:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-1426 on the Muscovite Mine, Latah County, Idaho.

By the terms of the Exploration Project Contract and of the Certification, all production from the property, except the exemptions noted in Amendment No. 1, from the date of the Exploration Project Contract, October 27, 1952, is subject to the Government's percentage royalty as set forth in the contract until the sum of $24,499.34 is paid, or until October 27, 1964, whichever occurs first.

Payments should be made to Mr. A. A. Weissenborn, Executive Officer, Defense Minerals Exploration Administration Field Team, Region II, South 157 Howard Street, Spokane 4, Washington. Checks should be drawn to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Weissenborn of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Weissenborn at six-month intervals that no production has been made.

Docket File
Field Team, Region II
Mr. Thayer, 5216 GSA Bldg.
Operating Committee

LCHouk:gad 1/8/54
Copy to: Admr. R. File
Mr. Johnson
Mr. Hedges, 4604
Mr. Chambers
Mr. Houk

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

Enclosure

R.C.H.
1-12-54

SURNAME COPY

Mels
Houk
Selfridge
Weissenborn

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

JAN - 4 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to your letter of December 22, 1953, requesting information on the shipments of Idaho Beryllium & Mica Corporation to the Spruce Pine Mica Depot.

You will find enclosed a copy of a letter of November 18, 1953, from W. S. Flynt, Superintendent of the Spruce Pine Mica Depot, which states that one shipment of 100 pounds of mica was made but the mica was returned because the Idaho Beryllium & Mica Corporation did not accept the evaluation of the Spruce Pine Mica Depot.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

D. M. Larrabee (JHB)
Member, Geological Survey

Enclosure

LGHouk:gad 1/4/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.G.S. 1-4-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

December 29, 1953

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 North Division
Spokane 2, Washington

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Hindman:

Attached is Check No. 2103 received from the Idaho Beryllium & Mica Corporation in the amount of $1,886.68 which is in full payment for royalties for mica and beryl produced from October 27, 1952, to and including November 28, 1953, under the subject contract.

We have written to the purchase depot at Custer, South Dakota, and Washington, D. C., for information on shipments to the Spruce Pine depot, asking for settlement sheets covering shipments made from the Muscovite mine on which royalties were payable to the Government. As soon as this information is received, it will be forwarded to you. Also attached is a copy of a letter from the Operator dated December 17, 1953.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Attachments

cc: DMEA w/encls. ✓

Received Attachments _____
date

R. J. Hindman

COPY

IDAHO BERYLLIUM AND MICA COMPANY
Producers of Beryl and Mica Products

P. O. Box 176
Deary, Idaho

December 17, 1953

U. S. Department of the Interior
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane, Washington

Re: Docket No. DMEA-2607-Mica
Muscovite Mine
Latah County Idaho
Contact No. IDM-2426

ATTENTION: Mr. A. E. Weissenborn
Executive Officer

Dear Mr. Weissenborn:

Enclosed herewith please find our check number 2103 in the amount of $1,886.60 which is in full payment for royalties for mica and beryl produced from October 27, 1952 to and including November 28, 1953, under D.M.E.A. Contract No. 2607.

Production figures are available at this office for your verification and are also included in our letter to you dated December 10, 1953.

We wish to thank you for your very kind cooperation and extend our sincere best wishes for the yuletide season.

Very sincerely yours,

Idaho Beryllium & Mica Corporation

/s/ Orville J. Slette
Orville J. Slette
General Manager

OJS:eln
Encl.
cc: Mr. Tom Howard, U.S.B.M.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 29 1953

December 22, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Houk:

We have received an initial royalty payment of $1,886.68 from the Idaho Beryllium and Mica Corporation for production of mica from the Muscovite mine between the dates of October 27, 1952, and November 28, 1953. Although they had indicated in an earlier letter dated December 10, 1953, the quantity of shipments made from the mine during this period, there was no documented evidence in this letter or with the letter forwarding the royalty concerning their mica shipments.

We have no reason to doubt the statements in their letter of December 10, 1953, but nonetheless it is our intention to obtain some kind of documented evidence concerning their shipments. In line with this we have written the Mica Purchase Depot at Custer for copies of records of shipments to there from the Muscovite mine. Also we have a copy of a letter from you to the Spruce Pine Mica Depot requesting information on shipments from the Muscovite mine to that purchase depot. If you have received an answer to your letter to the Spruce Pine Depot, we would appreciate obtaining any information from that source which you have received. We wish to avoid, if possible, two inquiries for the same information.

Yours very truly,

For: Thor H. Kielgaard
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Hindman
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
DEC 28 1953

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

December 22, 1953

Mr. J. F. McGuiness, Superintendent
General Services Administration
Mica Purchase Depot
Custer, South Dakota

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-8426

Dear Mr. McGuiness:

We have just completed a Defense Minerals Exploration Administration project at the Muscovite mine near Deary, Idaho. Inasmuch as this project has been successful in finding added mica-bearing pegmatities, the Government is entitled to a percentage royalty from sales of mica produced at the Muscovite mine since the date of the contract, October 27, 1952.

Although the Idaho Beryllium and Mica Corporation has indicated the magnitude and dollar value of shipments made from their property, it is necessary that we have corroborating evidence in our files to check their figures. Therefore, will you furnish this office with copies of settlement sheets of purchases from the Idaho Beryllium and Mica Corporation? Inasmuch as the repayment period will extend to October 27, 1962, it will be necessary that we receive settlement sheets of future purchases of mica from this company.

The receipt of this information from your office will facilitate the keeping of our royalty records and will be appreciated.

Yours very truly,

A. B. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Hindman
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
xxxxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

December 11, 1953

Mr. John A. Carver, Jr.
Secretary-Treasurer
Idaho Beryllium & Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Dim-3426

Dear Mr. Carver:

In accordance with the request contained in your letter dated December 4, 1953, I have written the RFC stating that your property has been producing some mica and suggesting that they contact GSA for further details as to the production.

In reading the last report by Willard Puffett on the Muscovite Mine, I note that he said that 54,860 pounds of hand-cobbed mica has been produced from the stope which has been developed from the DMEA workings. This is very encouraging and I am very gratified that you have been able to make this production.

Would you please let me know what steps you are taking to transfer to us the royalties which will be due on this mica.

Sincerely yours,

[illegible] H. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

December 11, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

Attached is a copy of a letter dated December 10, 1953, from the Idaho Beryllium and Mica Corporation wherein is detailed the records of sales of muscovite and beryl that have resulted from production at the Muscovite mine during the past year; also included in their letter are two short paragraphs discussing quality of mica and possible reserves that are indicated by the work completed in stoping on the New pegmatite.

It is interesting to note that the total dollar value of the production from the Muscovite mine during the past year is nearly $180,000, although the production which is subject to royalty is slightly less than $40,000.

To date, we have received no royalty payments from the Idaho Beryllium and Mica Corporation. Although our final report is not ready for transmittal at this date, we do want to recommend that a certification of discovery or development be declared for the work completed at the project. After a formal certification has been issued, we will be in a position to insist on prompt payment of royalties due the Government.

Total work completed under the exploration project contract includes the following:

211	ft.	of timbering
472	"	of drifting and crosscutting on the No. 5 level
43	"	of raise on the "New" pegmatite
59.5	"	of drifting from the raise
754	"	of diamond drilling underground
446	"	of diamond drilling on surface

A recent inspection trip by DMEA personnel to the mine obtained information that indicates there is some doubt that the pegmatite on which the underground work is being done is the downward extension of the New pegmatite. In fact there are two pegmatites exposed in the stope, one apparently being the downward extension of the west branch of the Central pegmatite. The other pegmatite in the stope is similar in characteristics to the New pegmatite, but its apparent rake underground is nearly vertical and it is located too far to the north to correlate satisfactorily with the projected downward location of the New pegmatite. Thus, it is difficult to make any reliable estimate of ore reserves. Nevertheless, there has been a total of 54,860 pounds of hand-cobbed mica produced from underground work on this pegmatite (through November 28, 1953).

Experience in mining has shown that approximately one ton of hand-cobbed mica is produced for each vertical foot of advance. Using the figure of one ton of hand-cobbed mica per foot of advance, the tonnage remaining above the stope may range from 40 to 100 tons depending on whether this is the New pegmatite or a new one which has not been exposed at the surface. If the underground pegmatite does not correlate with the New pegmatite, the tonnage possibilities above the No. 5 level are still further increased.

By DMEA Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

Attachment
cc: USBM(2)
Puffett

C
O
P
Y

December 10, 1953

U. S. Department of the Interior
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane, Washington

Re: Docket No. DMEA-2607-Mica
Muscovite Mine
Latah County Idaho
Contract No. Idm-E426

ATTENTION: Mr. A. E. Weissenborn
Executive Officer

Dear Mr. Weissenborn:

Reference is made to your letter of November 24, 1953 regarding operators final report on contract listed above.

The following report is herewith furnished as per your request:

1. Mica discovered in sub-drift above number 5 level as comparison to new pegmatite at surface:

   A. Quality -- Reduced from approximately 32% of good stained and better to approximately 20% of good stained and better. Overall quality reduced in comparison to above figures including percentage of trimable mica from handcobbed mica taken from sub-drift must be handcobbed and screened very substantially in order to produce $4\frac{1}{2}$% sheet mica content.

   B. Quantity -- The volume of mica taken from the new pegmatite at the surface in comparison to what is being extracted above the sub-drift of the number 5 level has been reduced materially. It is estimated that there are from 85 to 110 tons of recoverable handcobbed mica in this blocked out area.

2. Statement of sales from October 27, 1952 to and including November 28, 1953:

   A. Mica taken from below horizontal plain drawn at base of No. 4 level at 4290 feet altitude (recovered through No. 5 level)

Schedule A --		None	
Schedule B --	New Pegmatite	54,860 lbs.	$16,458.00
	West Pegmatite	70,220 lbs.	21,066.00
	TOTAL	125,080 lbs.	$37,524.00

B. Mica taken from above horizontal plain drawn at base of Number 4 level at 4920 feet altitude (open pit)

Schedule A --	GSA	8,494 lbs.	$85,284.98
	Individuals	859 lbs.	4,433.44
Schedule B --	GSA	132,859 lbs.	39,857.70
	Individuals	4,000 lbs.	1,000.00

C. Sales -- Miscellaneous mica:

Scrap	315,221 lbs.	7,880.30
Punch	220 lbs.	24.00
Thins	6,224 lbs.	3,112.00

D. Sales -- Beryl:

Below horizontal plain drawn at base of number 4 level at 4920 feet altitude	800 lbs.	209.60
Above base horizontal plain drawn at base of number 4 level at 4290 feet altitude	1,090 lbs.	285.58

It should be noted that all miscellaneous sales was derived from mica mined above the 4290 foot altitude. This mica, as you know, is a residue from the trimming operations. No mica mined from below 4290 feet altitude has been trimmed. It should also be noted that all sales and production is for the period from October 27, 1952 up to and including November 28, 1953.

Very sincerely yours,

Idaho Beryllium & Mica Corporation

/s/ Orville J. Slette

Orville J. Slette
General Manager

OJS:elm
cc: John A. Carver, Jr.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
XXXXXXXXXXXXXXXXXX
No. 157 Howard Street
Spokane 4, Washington

December 11, 1953

Reconstruction Finance Corporation
4th Floor, Pittock Building
Portland, Oregon

Gentlemen:

Mr. John A. Carver, secretary-treasurer of the Idaho Beryllium & Mica Corporation, operating a mica property in the Avon mining district near Deary, Idaho, has requested this office to supply you with information concerning the strategic character of mica produced at the Idaho Beryllium & Mica Corporation property, and the status of the property in the domestic strategic mica program.

A considerable quantity of mica has been produced from the property since it was reopened about 1951, but I do not have up to date production figures. As all the material has been sold to the General Services Administration mica buying depots at either Custer, South Dakota or Spruce Pine, North Carolina, I would suggest that you request Mr. Carver to have GSA furnish you with a statement of the amount and the quality of the various grades of mica sold by Idaho Beryllium & Mica to the two depots, or request this from GSA yourself.

Exploration done under a DMEA exploration contract has been successful in outlining additional reserves of mica-bearing pegmatite.

Sincerely yours,

A. L. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: John A. Carver

USBM (2)
DMEA (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

December 3, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Latah County, Idaho
Contract Idm-E426

Attention: L. G. Houk

Dear Mr. Selfridge:

On Tuesday, December 2, 1953, Willard Puffett and W. S. Anderson made a final inspection of the Muscovite mine to examine the pegmatite exposed in the new stope and to obtain data on the production of mica from this stope. Inasmuch as it will probably be a few weeks before the final report will be submitted, it is thought that the transmission of a few pertinent details now will bring your office up-to-date regarding operations at the Muscovite mine.

Mining operations at the mine have not been suspended. Underground work includes extending the stope upward on the New pegmatite, and surface work includes bulldozing to explore for extensions of the Central pegmatite. Open-pit operations on the New pegmatite has been discontinued due to the hazard from the steep and high walls. It is interesting to note that after the pit on the New pegmatite had reached the limiting depth, further work on the footwall, high above the bottom of the pit, exposed good sheet mica, and according to the Operators, at least 20 tons of hand-cobbed mica were produced from this heretofore assumed barren area.

No more trimmed mica is being produced, and now shipments to government buying depots include only hand-cobbed mica. As yet the mill on the property has not reached the productive stage.

The raise on the "New" pegmatite has been extended 63 feet at an average angle of 65 degrees. From the top of this raise, a stope extends northward for 31 feet and south for 15 feet. From the north end of the stope another stope connects which extends 31 feet on a bearing of N. 80° E. The north-south stope exposed a pegmatite concordant with the schistosity which is at least 43 feet long and a maximum of 15 feet wide, whereas the stope to the east exposed a discordant contact between altered schist on the south and pegmatitic material on the north.

The north-south pegmatite has a fairly well-defined border zone on its footwall consisting of a one-foot wide band of quartz, albite, and books of mica averaging slightly more than one inch in diameter. One crystal of beryl measuring six inches long and three inches in diameter was seen in this zone, although no other crystals of beryl were detected. Zoning in the rest of this pegmatite is less well defined. Overlying the border zone is generally massive granular albite with very large crystals or concentrations of crystals of black tourmaline. Toward the center of the pegmatite is a lens-like pod of very coarse-grained cleavelandite. To the north and south of the cleavelandite the predominant character of the pegmatite is massive granular albite and nearly 50 percent gray quartz. This zone (?) averages 6 to 8 feet wide. Above this zone (to the south), is another area in which very coarse-grained tourmaline occurs. These concentrations of tourmaline are of the order of 8 to 12 inches in diameter. This band of tourmaline can be traced fairly continuously along the pegmatite and averages a little more than one foot thick. Above this tourmaline the pegmatite consists almost entirely of massive granular albite with sporadic occurrence of tourmaline and some concentrations of book mica measuring up to six inches in diameter. Thus the main concentrations of sheet mica in the pegmatite are to the hanging wall side. There is also a fairly rich zone near the south end of the pegmatite.

Little could be definitely determined concerning the pegmatite to the east which transects the foliation in the enclosing schist at nearly right angles. It appears that only one edge of the pegmatite has been exposed and here it consists of massive granular albite, some quartz, and a small amount of book mica.

A tape and compass traverse was made to check the relative positions of the bottom of the surface pit and the portal of the No. 5 level. As a result of this traverse, it is found that the bottom of the pit, near the south end of the New pegmatite, is only slightly more than 100 feet above the No. 5 level. Because of the slough and snow in the pit, it was impossible to check exactly where the south end of the New pegmatite is on the surface. Also as a result of this traverse, a question arises as to just what pegmatite is being explored by the New stope underground. According to our calculations, the point on the surface, near the south end of the New pegmatite, is at co-ordinates 10,478N, 10,363E, and the south end of the north-south pegmatite in the stope at an elevation 45 feet lower than this point is at co-ordinates 10,560N, 10,350E. With no more information than we have concerning the outline and exact position of the New pegmatite on the surface, we can only estimate its location. If we assume that the point on the surface is the south end of the New pegmatite, and that the pegmatite extends

4 to 60 feet to the north, then it can be seen that the underground workings will have to change direction drastically to come out at the surface very near this pegmatite. This will also mean that there will have to be a very flat rake of the pegmatite to the north. Although there is a slight rake to the north of the pegmatite in the stope, it appears improbable now that this rake will flatten sufficiently to project to the surface at the location there of the New pegmatite. Therefore, although the characteristics of the pegmatite in the stope are very similar to those of the New pegmatite on the surface, there is a reasonable doubt now that the stope is on the downward extension of the New pegmatite.

It appears very probable that the east-west pegmatite exposed in the stope is the downward extension of the Central pegmatite.

As of November 27, 1953, a total of 54,860 pounds of hand-cobbed mica had been produced from the stope. All but about 5,000 pounds of this mica was produced from the north-south pegmatite. Rough calculations show that about one ton of hand-cobbed mica is being produced per foot of upward advance on the pegmatite. If this rate of production continues, and this pegmatite is to surface in the bottom of the pit, only slightly more than 40 more tons of mica can be expected to be produced from this stope, and thus the outlook is not promising for extended operations.

If further work should prove that the north-south pegmatite is not the downward extension of the New pegmatite, the reserves of sheet mica at the Muscovite mine are much greater.

The above are the highlights of the information gained by the inspection. We hope to have the final report ready for transmittal some time late this month.

Very truly yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
Puffett

The Exec. Officer.
Region II.

Nov. 17, 1953.

Sir:

When and if you sign the enclosed mass to Sgt. Klette, please date and conform with your signature, the copies of same and return to the Washington Office.

Thanks.

R. C. Gray, Clerk,
Reports + Records.

U. S. GEOLOGICAL SURVEY
REFERENCE SLIP

Date 11/24/53

Referred to: Reports & Records
DMEA, Wn., D. C.

For:

Field Examination
Approval & Signature
Comment
Initials
Mailing
Recommendation
Reply
Rewriting
Signature
Suggestions
Your Information
Your Files
Return for Filing
Distribution

REMARKS:

Per your request.

E M Raymond, Secy
Name of Sender
Region II

FILE COPY
SURNAME: 13

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

630

NOV 24 1953

Mr. Orville G. Slette General Manager
Idaho Beryllium & Mica Corporation
Continental Bank Building
Boise, Idaho

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Slette:

Reference is made to the Operator's Final Report on the subject contract dated September 22, 1953.

This report should include a statement evaluating the mica discovered in the sub-drift above the No. 5 level with an indication of the volume of the "New Pegmatite" between this plane and the surface. An estimate should be included on the quantity and quality of mica in this block based upon your experience in mining the "New Pegmatite" in the open-cut and experience which has been gained in mining the other pegmatites at the Muscovite Mine.

This office would be pleased to receive a statement of your total sales of mica to the Government under Schedule A and Schedule B of the Mica Purchase Program since the date of the contract, October 27, 1952, and any sales to individuals. You should report separately all sales from production below a horizontal plane drawn at the base of the No. 4 level at an altitude of 4290 feet and the value of all sales from production from the land described in Article 2 that was removed through Tunnel No. 5 from the date of the contract which production is subject to Government royalty whether the production was from funds expended under DMEA contract or by company account.

Sincerely yours,

A. E. WEISSENBORN

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

LQHouk:gad 11/13/53
Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA
Operating Committee
Mr. Houk

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1953

GENERAL SERVICES ADMINISTRATION

Spruce Pine, N. C.

November 18, 1953

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Houk:

Replying to your letter of November 16, 1953, I wish to advise that Mr. John A. Carver, Jr. shipped 100 Pounds of Mica from the Muscovite Mine, Latah County, Idaho, about April 7, 1953. Our buyers evaluated this lot and we sent Warranty, Acceptance and Invoice, covering this shipment, to the Idaho Beryllium & Mica Corporation for their signature.

They did not wish to accept our evaluation and returned the Warranty, Acceptance and Invoice requesting we return the mica to them express collect. This we did. This is the only shipment we have had from them.

Yours very truly,

W. S. Flynt, Superintendent
Spruce Pine Mica Depot

FILE COPY
SURNAME:

Houk
Selfridge
Weissenborn

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.

NOV 17 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Please forward the enclosed letter to Mr. Orville G. Slette, General Manager, Idaho Beryllium & Mica Corporation, Continental Bank Building, Boise, Idaho, if it meets with your approval.

Sincerely yours,

George C. Selfridge (JHB)
Chairman, Operating Committee

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

Enclosure

LGHouk:gad 11/13/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S. 11-17-53

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600

NOV 16 1953

Mr. W. S. Flynt, Superintendent
Spruce Pine Mica Depot
General Services Administration
Spruce Pine, North Carolina

Re: Docket No. DMFA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Flynt:

It has been called to the attention of this office that mica from the subject mine or from Mr. John A. Carver, Jr. has been shipped to the Spruce Pine Mica Depot for purchase. Kindly inform this office if any mica has been purchased from this company, or individual, together with the quantity and value.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk:gad 11/13/53

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

October 17, 1953

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (mica)
Idaho Beryllium and Mica Corp.
Muscovite Mine, Latah Co., Idaho
Contract No. Idm-E426 (completed)

Dear Mr. Selfridge:

Your letter of September 23 has established the fact that where the object of a contract has been achieved, no formal notice of termination is required, even though some footage may remain in the contract. I agree that this is so, at least in the sense of the usual termination notices which are used in closing the terminating contracts. However, it does seem to me that a procedure should be established for those cases in which contracts are completed normally. If this is not done, I fear that there may be loose ends left, which may cause us some difficulties.

As an example of this, we might take the case of the Idaho Beryllium and Mica Corporation, which is the project which gave rise to your letter. In this case, we all agreed that the objectives of the existing contract had been achieved, and the operator submitted what we supposed was the last 104. Later on, he changed his mind and used remaining footage to drift off the supposed end of the pegmatite which had pinched to a very narrow width. Although I do not have a report from our men as yet, in this new drift the pegmatite is supposed to have opened up again to a minable width and to contain good mica. As this work was in accordance with the provisions of the contract, and as there was sufficient footage remaining to take care of it, the operator considered billing us for this work. I think that this might have been considered a legitimate charge, even though we had thought the contract completed, as there was nothing in writing that the contract had been completed; however, the amount involved was very small and after discussion with us the operator decided not to bill us; as we pointed out to him that it would delay the final settlement of the contract.

I suggest that in those cases where a contract is completed in contradistinction to being terminated we should write the operator a letter stating that we consider the objectives of the contract have been achieved

and that we consider the contract completed. We should also add that if he is not in agreement with this, he should notify us immediately, and that if we do not hear from him, we will assume that he is in agreement and we will accept no more charges on the contract except those which are necessary to the disposal of the equipment, preparation of a final report, etc. We believe a letter of this sort would tie up the loose ends and may avoid some misunderstandings with the operator. We propose to institute this procedure in the very near future unless we hear from you that you are not in agreement.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
Puffett

913

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 22 1953

October 16, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

Enclosed are three copies of the Operator's final report on the Idaho Beryllium and Mica Corporation contract.

The report is very brief but appears to adequately describe the work done under the contract. A more detailed report by the Field Team will follow as soon as this can be prepared.

Sincerely yours,

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)
Puffett

TELEPHONE
DEARY, 40

AVON MINING DISTRICT
DEARY, IDAHO

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 22 1953

Idaho Beryllium and Mica Corporation

PRODUCERS OF BERYL AND MICA PRODUCTS

P. O. Box 176
Deary, Idaho

RECEIVED
BUREAU OF MINES
SEP 25 1953
SPOKANE, WASH.

September 22, 1953

U. S. Bureau of Mines
Defense Minerals Exploration Administration
North 1205 Division Street
Spokane, Washington

ATTENTION: Mr. Howard

Dear Mr. Howard:

The following is a final report of exploration loan, contract number Idm-E426.

On November 1, 1952 exploration began with the retimbering of the adit and rehabilitation of 390 feet of the old drift on the No. 5 level. Water pipes, blower pipe, track and compressed airline were installed to the point at which the exploration drift was to begin.

This exploration drift was started on December 10, 1952. The first round caused caving because of a cross bedding fault, and timbering was required until the drift passed through the fault. The drift was then continued on a contract basis. The ground in which the drift was driven was a precambrian schist and was very easy to drill. The slabby run caused some difficulties due to the drift being driven nearly parallel to the bedding. The drift was run due North. The bedding ran N 14° W on the average and had a dip that ranged between 50 and 80°. No timbering was required after the first 20 feet until the 160 foot point was reached and there a major fault was encountered. From the fault to the first crosscut at 270 feet timbering was required. A crosscut was made at the 270 foot point to intersect the approximate position of the new pegmatite. No pegmatite was encountered at this point, however. Diamond drilling was then done to the East and from the surface to gather more information on the location of the new pegmatite. Contact was made from the surface at a point 50 feet above the new drift level. These drill holes showed that the pegmatite had taken a sharp Northward rake. The drift was continued to the point of intersection of the new pegmatite at the drift level. The alteration zone was encountered 80 feet from the initial crosscut and the pegmatite was contacted at approximately 115 feet from the initial crosscut. After exploring the pegmatite over its 40 foot length and crosscutting it, it was found that there was little mica of strategic quality at the drift level. At this level the pegmatite feldspar was cleavelandite and it was believed that no strategic mica would come from this zone, and it was estimated at that time that strategic mica would be encountered within 50 feet, or as soon as the albite feldspar zone was encountered. A raise was driven to the 39 foot point where the albite zone and strategic mica was encountered at which time a drift was driven along the strike of the pegmatite and several crosscuts were made. The pegmatite at this level was 55 feet long and ranged

from a few inches to over 20 feet wide. Mica of strategic grade and quantity sufficient to stope was confined to the foot wall zone of approximately 4 to 6 feet wide. On August 29, 1953 stoping was started. The average footage per shift was three and a half feet, and the mucking was hand shoveled and hand trammed. Two miners were on a shift and the majority of the drift was driven on a two shift basis. An Ingersoll-Rand jackleg with a four foot leg was used in conjunction with 1 1/2 inch carbide bits. The fastest drilling time for a five foot seventeen hole round was twenty minutes. Tramming distances ranged from 400 feet at the start of the drift to 800 feet when the pegmatite was contacted.

Diamond drilling was accomplished on the East and West pegmatites under the No. 5 level and they were found to extend 120 feet below this level. One drill hole at 80 feet below the No. 5 level showed a width of five feet and the other holes ran between 7 to 14 inches in width. Due to the nature of pegmatites, no reserves could be calculated from these drill holes. Some sheet mica was encountered which appeared to be of strategic grade, but further exploration will be required to determine if the mica is of high enough quality to be used for the government stock piling program.

This contract was accomplished on a short form basis and the costs were as follows:

Drifting	$32.50 per foot
Crosscutting	32.50 per foot
Raising	32.50 per foot
Timbering	5.00 per foot
Rehabilitation:	
First 50 feet	12.50 per foot
Next 90 feet	7.50 per foot
Next 250 feet	5.00 per foot
Diamond Drilling:	
Underground	4.00 per foot
Surface	4.50 per foot.

Very truly yours,

Idaho Beryllium & Mica Corporation

Orville J. Slette

Orville J. Slette
General Manager

OJS:elm

FILE COPY
SURNAME:

Hach

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OCT 14 1953

Mr. John A. Carver, Jr., Secretary
Idaho Beryllium & Mica Corporation
Continental Bank Building
Boise, Idaho

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Carver:

Receipt is acknowledged of your letter of September 30, 1953, requesting reconsideration of the denial for additional funds to explore below the No. 5 adit level at the Muscovite Mine, Latah County, Idaho.

Your request will be given careful consideration and study and you will be advised of our decision when our staff have completed their analysis.

Sincerely yours,

Frank E. Johnson (fw)

ACTING Administrator

LGHouk:gad 10/13/53
Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

10-14-53

FILE COPY
SURNAME

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION 600
WASHINGTON 25, D. C.

OCT 13 1953

Houk
Selfridge
Johnson
Mattendorf

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Transmitted herewith is a copy of a letter received from the Idaho Beryllium & Mica Corporation requesting reconsideration of our denial for additional funds for exploration below the No. 5 level.

Inasmuch as the present contract has been completed, we will be pleased to receive the final field team report as soon as is practical.

The field team report on the subject contract should include a statement on indicated and inferred reserves in the New Pegmatite, and the size of the geologic target explored by drilling on the East and West Pegmatites.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

J. H. Hedges (JB)

Member, Bureau of Mines

T. P. Thayer (JB)

Member, Geological Survey

Enclosure

LGHouk:gad 10/9/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G. 10-15-53

OCT 13 1953

AIR MAIL

Mr. Robert M. Hull
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-4144, DMA-1186X
Elkhorn Mining Company
and
Idm-4126, DMA-2607
Idaho Beryllium & Mica Corp.

Dear Mr. Hull:

Receipt is acknowledged of the three copies of the Reports of Review for each of the referenced projects, which were transmitted by your letter of October 7, 1953.

The Report covering Idm-4126 is acceptable and normal distribution may be effected. The Report covering Idm-4144, however, is returned herewith for revision of the reason (b), which indicates that a large portion of the work was on an "agreed unit cost" basis. This was not the case.

This is an old form contract on an actual cost basis. Apparently the costs referred to in your reason (b) were the actual costs incurred under an approved sub-contract. Therefore, the following reason appears to be applicable:

> (b) a major portion ($4,185.75) of the costs covered diamond drilling at rates specified in an approved sub-contract and a further portion ($740.00) covered bulldozing at hourly rates prevailing in the area.

It is noted that you have omitted the following reason which is generally applicable to actual cost contracts: "the monthly reports were supported by documentary proof of the costs incurred under the contract." I assume this omission was intentional since part of the costs were incurred prior to the date when documentary support was required. Is my assumption correct?

In a letter dated September 21, 1953 addressed to all auditors I requested that the initial paragraph of all Audit Certificates, Audit Reports and Reports of Review include a statement as to the county and state in which the property is located and the "common" name of the property. Please include it in the revision of the Report for Idx-F144 and in all future Reports and Certificates.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

~~XXXXXXXXXXXX~~
EDTalbert/wb
October 13, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Washington
October 9, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Final inspection, Idaho Beryllium & Mica Corp., Latah County, Idaho, Contract No. Idm-E426, Docket No. DMEA 2607 (mica)

The subject property was visited September 30, 1953. Mr. Albert Smith, engineer, and Mr. Orville Slette, general manager, were at the property during the visit.

A tape and compass survey was made of the No. 5 level to recheck work completed under the exploration project contract. The DMEA drift was advanced a total of 428 feet, and three short crosscuts were driven for a total of 44 feet of crosscutting. The total drifting and crosscutting on the No. 5 level was 472 feet.

USBM tags which have been placed in the workings are:

USBM #200 at portal + 329.5 feet on the bottom of a cap in main crosscut
USBM #309 on bottom of cap in DMEA drift at USBM #200 + 283 feet
USBM #307 on south side of cap in DMEA drift at USBM #309 + 132.5 feet

The raise on the "New Pegmatite" was started at USBM #307 - 3 feet. The raise was driven on a bearing of S. 55° E. with the first 15 feet on a 70° slope and the last 28 feet on a 54° slope. Total raising completed was 43 feet.

The back of the stope on the pegmatite in the drift which started N. 8° W. from the raise is approximately 25-1/2 feet higher in elevation than the collar of the raise. A sketch is attached showing the workings from the raise. As shown on the sketch, drifting was started to the east at an elevation 18-1/2 feet higher than the collar of the raise and 33 feet northeast of the raise. This drift had been advanced 36 feet at the time of the visit. Albite and tourmaline were exposed in the face of the drift and small books of green mica were scattered throughout the pegmatite. The Operators believe that this pegmatite is the central pegmatite which was worked by open pit on the surface.

Total work completed under the exploration project contract is recapitulated as follows:

211 feet of timbering
472 feet of drifting and crosscutting on the No. 5 level
43 feet of raise on the "New Pegmatite"
59.5 feet of drifting from the raise
754 feet of diamond drilling underground
446 feet of diamond drilling on surface

The Operator has 20 women working in the trimming shed in Deary, Idaho, 5 men in the open pit at the mine, and 2 shifts of two men per shift in the drift from the raise. Production from the open pit is approximately 2000# of mica book per shift. This is trucked to the trimming shed at Deary, Idaho. Recovery at the trimming shed is about 5% of trim sheet.

The Operator stated that 8 tons of mine run book has been shipped and they received $600/ton for the shipment.

The Operator has prepared his final report for submission to the Field Team so that he may receive final payment.

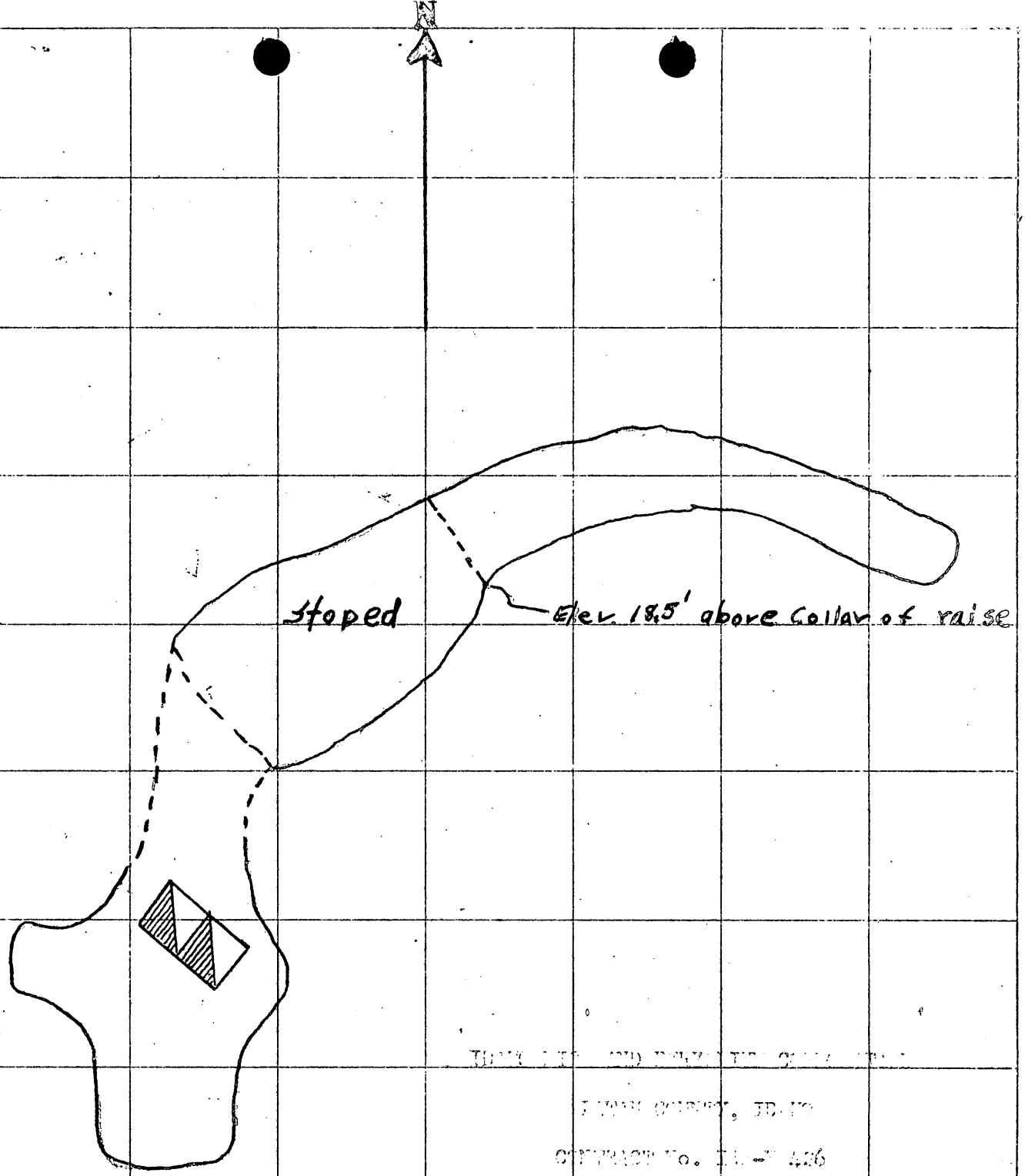
Although all work outlined in the contract has not been completed and total funds have not been expended, the objective, which was the "New Pegmatite", was intersected and the contract will be terminated by mutual agreement. A certification of discovery will be issued.

As the subject exploration project contract was a short form contract with the Government contributing 90% of agreed estimated costs of units of work actually completed, the Government has no equity in supplies and equipment at the property.

W. S. Anderson

W. S. Anderson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
WSA/he



[illegible] AND [illegible] OF [illegible]

[illegible] COUNTY, IDAHO

CONTRACT No. [illegible] 436

Scale 1" = 20'

From Operators Map

"ALBANENE" No. 195M REG. U.S. PAT. OFF.

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 14 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
~~xxxxxxxxxxxxxxxxxx~~
So. 157 Howard Street
Spokane 4, Washington

October 7, 1953

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 N. Division
Spokane 2, Washington

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-4426

Dear Mr. Hindman:

This is to inform you that the Operator has submitted his final engineering report on the subject property and is accepted as satisfactory.

It is recommended that the Operator's final invoice be accepted for vouchering and payment.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Con. Adm. & Aud. Div., Wash.
R. Hull, Auditor
Puffett

LAW OFFICES
CARVER, McCLENAHAN & GREENFIELD
CONTINENTAL BANK BUILDING
BOISE, IDAHO

September 30, 1953

JOHN A. CARVER, JR.
DON J. McCLENAHAN
GEORGE A. GREENFIELD

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 2 1953

C. O. Mittendorf
Administrator
Defense Minerals Exploration Administration
United States Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Mittendorf:

Reference is made to your letter of August 25th concerning the above loan and contract, and to the conversation which Mr. Orville Slette and I had with you and Mr. Weissenborn in Seattle on September 24th. This letter is to request reconsideration of the denial of additional exploration funds.

The denial of the additional funds seems to be premised on the conclusion that the proposed new work is development, and that mica reserves have already been reasonably delineated by diamond drilling. We think this premise is insupportable. We have been advised not only by our own engineer but unanimously by government and private engineers familiar with pegmatites that diamond drilling simply is not conclusive or in fact anything more than a bare indication as to the quantity and quality of mica reserves.

This has already been shown by the work accomplished under our exploration contract, where drifting to the point where mica was shown to exist in the diamond drill cores showed no mica of strategic quality and a raise had to be constructed for 39 feet before mica of strategic quality was found.

Indications are favorable, but even so it will not be possible for us to sink the winze and do the drifting on our own account for the reason that we cannot consider the work as development work and we cannot afford to do the exploration work because the risk is too great.

We are indebted to the R.F.C. for over $100,000.00. Your reports will show that our proven reserves are definitely limited. The additional exploration work is the key to our opening up mica in any quantity favorable to effect a government stockpiling program.

Such reports and statistics as are available to us indicate that we produced in the period ending June 30th almost one-sixth of the domestic mica stockpiled in the United States and over nine-tenths of the mica stockpiled at the Custer Depot. We can continue volume production only if additional reserves are blocked out. The margin of profit in production is so narrow that we are not able to finance exploration work on our own and must rely upon the government proceeding with the exploration program which Congress has authorized, on the terms authorized.

We are confident our application for additional funds to complete exploration is absolutely justified as an exploration project and is in no sense of the word developmental work. And, as stated above, we can state positively that we cannot do the exploration work ourselves. If the potential capacity of this mine is to be realized for the benefit of the government stock-piling progam, then we must have this assistance.

We respectfully request reconsideration of the matter and favorable action.

Very truly yours,

John A. Carver, Jr.

John A. Carver, Jr.
Secretary
IDAHO BERYLLIUM & MICA CORPORATION

FILE COPY
SURNAME:

Houk
Selfridge
Holbrook
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600

SEP 23 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E/26

Dear Mr. Weissenborn:

Reference is made to your letter of September 14, 1953, on termination of the subject project.

Since the work was completed before the completion date of August 27, 1953, no time extension amendment will be necessary. Inasmuch as the objective in the contract has been reached no formal notice of termination will be required.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/6)

Approved:

J. H. Hedges (2/6)
Member, Bureau of Mines

A. R. Kinkel, Jr. (2/6)
Member, Geological Survey

LGHouk:gad 9/22/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.
9-23-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Washington
September 18, 1953

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT - 6 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Inspection, Idaho Beryllium and Mica Corporation, Latah County, Idaho, Contract No. Idm-E426, Docket No. DMEA 2607 (mica)

The Idaho Mica & Beryllium property was visited August 25, 1953. There were four miners at the property at the time of the visit but Mr. Albert Smith, engineer and supervisor, was in Moscow, Idaho, on business.

The raise on the "New Pegmatite" had been advanced 14 feet since the last visit for a total of 43 feet of raising under the contract. From the raise drifts were driven to determine the extent of the pegmatite at this level. The drifting from the raise is as follows:

33 feet on a bearing of N. 8° W.
17.5 " " " " " S. 10° W.
9 " " " " " N. 80° W.

The miners were stoping on the pegmatite in the drift to the N. 8° W. and are using the cut and fill method of stoping. They stated that they had been cobbing approximately 200 pounds of mica per man shift.

Work completed under the subject exploration project is as follows:

472 feet of drifting and crosscutting on the No. 5 level
43 feet of raise on the "New Pegmatite"
59.5 feet of drifting from the raise
754 feet of diamond drilling, underground
446 feet of diamond drilling, surface

Mr. Willard Puffett, U. S. Geological Survey, visited the property August 31, 1953 and the Operators informed him that they were not going to do any more work under the exploration project contract but are going to continue stoping operations on the "New Pegmatite."

The pegmatite which was outlined by the drifts from the raise is approximately 47 feet in length and varies from 2 to 9 feet in width. Strategic book mica was found in the footwall zone and some mica books are found scattered throughout the pegmatite.

The total estimated cost of the exploration project was $28,700.00 and the last MF-104 by the Operator claims totals to date of $27,194.25. As all work outlined in the contract has not been completed and funds have not been expended, although the objective was reached, it is assumed the contract will have to be terminated by mutual agreement. A request has been sent to Washington, D.C. for permission to terminate the contract by mutual agreement.

W. S. Anderson

W. S. Anderson

Can we end?
yes

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
WSA/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

September 14, 1953

Mr. Ernest W. Ellis, Acting Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Ellis:

Reference is made to your letter of September 8, 1953, in which you suggest an amendment be executed to allow sufficient time to complete the subject project.

We wish to direct your attention to an interim report on the above property by Willard P. Puffett, U. S. Geological Survey, on August 31, 1953. In that report, it is noted that project work stopped before the completion date of August 27, 1953. At the time work terminated, there remained 31½ feet of drift or crosscut to be completed. However, as the objective had been reached, it was believed by the Operator that the remaining footage was not needed and, therefore, would not be done.

Inasmuch as no more project work is contemplated and as there remain 31½ feet of allowable drifting, we request permission to terminate the contract by mutual agreement before completion of the work.

Enclosed are the referred to copies of Puffett's report.

Sincerely yours,

Thor H. Kiilsgaard
for A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM(2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

September 8, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2607 (Mica), routine inspection of Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho, Contract No. Idm-E426.

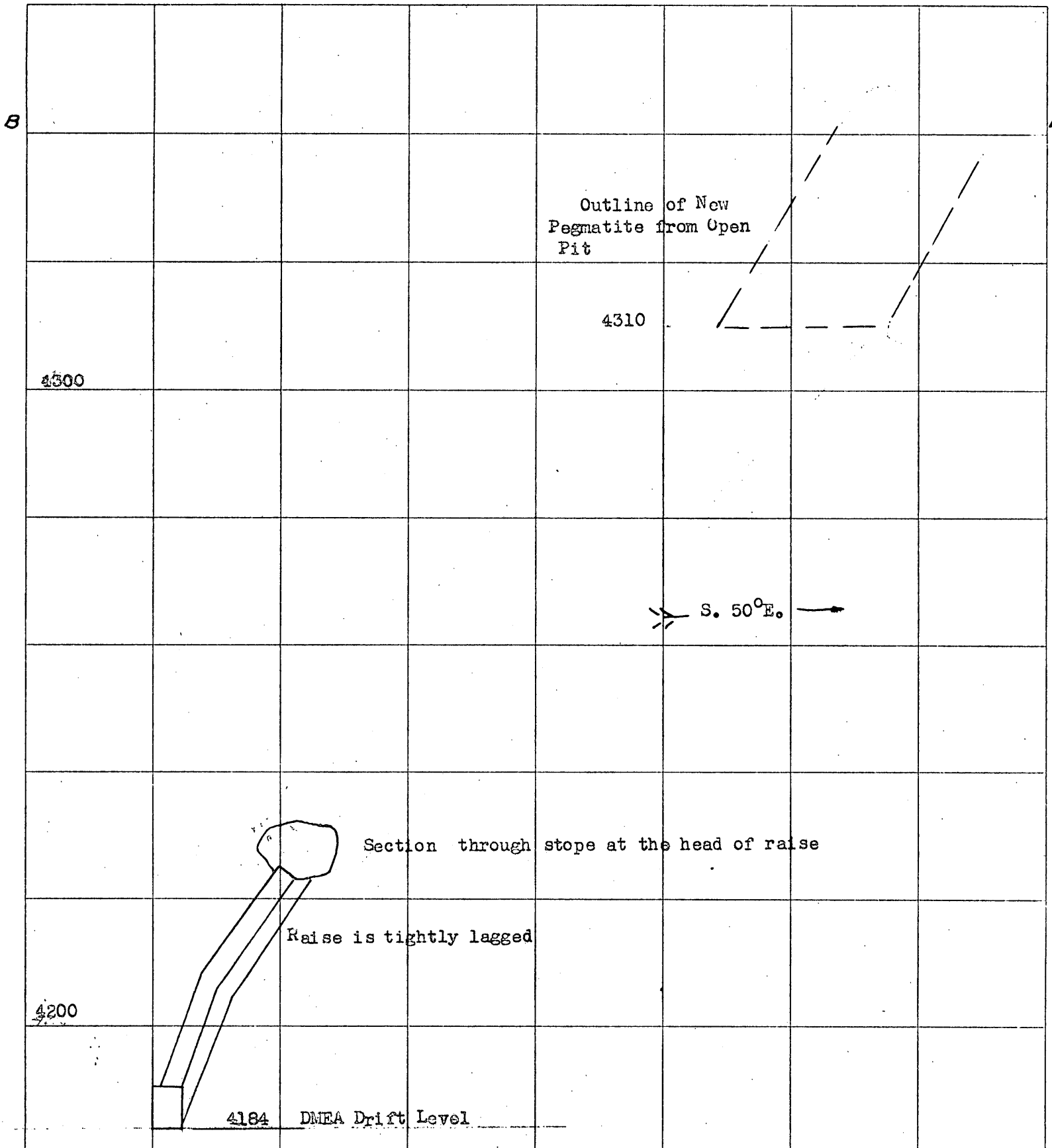
A routine inspection of the workings at the Muscovite mine was made on August 31, 1953, Messrs. Albert Smith and Orville Slette, officials of the company, were at the property. Mr. Slette exhibited a letter from Mr. Mittendorf, Administrator, DMEA, in which it was stated that the applied for extension of the contract was denied. Thus, Mr. Slette stated, contract work has been completed at the mine. He stated a total of 35 feet of drifting remained to be done, but there was no reason for its being driven as the objective had been reached without using all the work called for in the contract.

The raise had been driven 43 feet, and 59.5 feet of drifting and crosscutting had been driven from the raise. This work had outlined the pegmatite at an elevation where strategic quality mica occurs. Mining operations on the pegmatite had been started and approximately 4,500 pounds of hand-cobbed mica had been produced at the time of the inspection. A modified cut and fill method of mining was being used. 111 Cut?

A map showing the outline of the workings and the outline of the pegmatite at the head of the raise accompanies this report. Very little detail on the pegmatite other than its general outlines could be obtained. Apparently, the sheet mica is found more to the footwall (east wall) of the pegmatite. The pegmatite is marked by very coarse-grained black tourmaline in granular albite. No radioactive minerals were noted and the Operators report that beryl occurs only sparsely.

Enclosures 2
Distribution:
DMEA(Orig.&3)
USBM(2)
Docket
Puffett

Docket No. DMEA 2607 (mica)

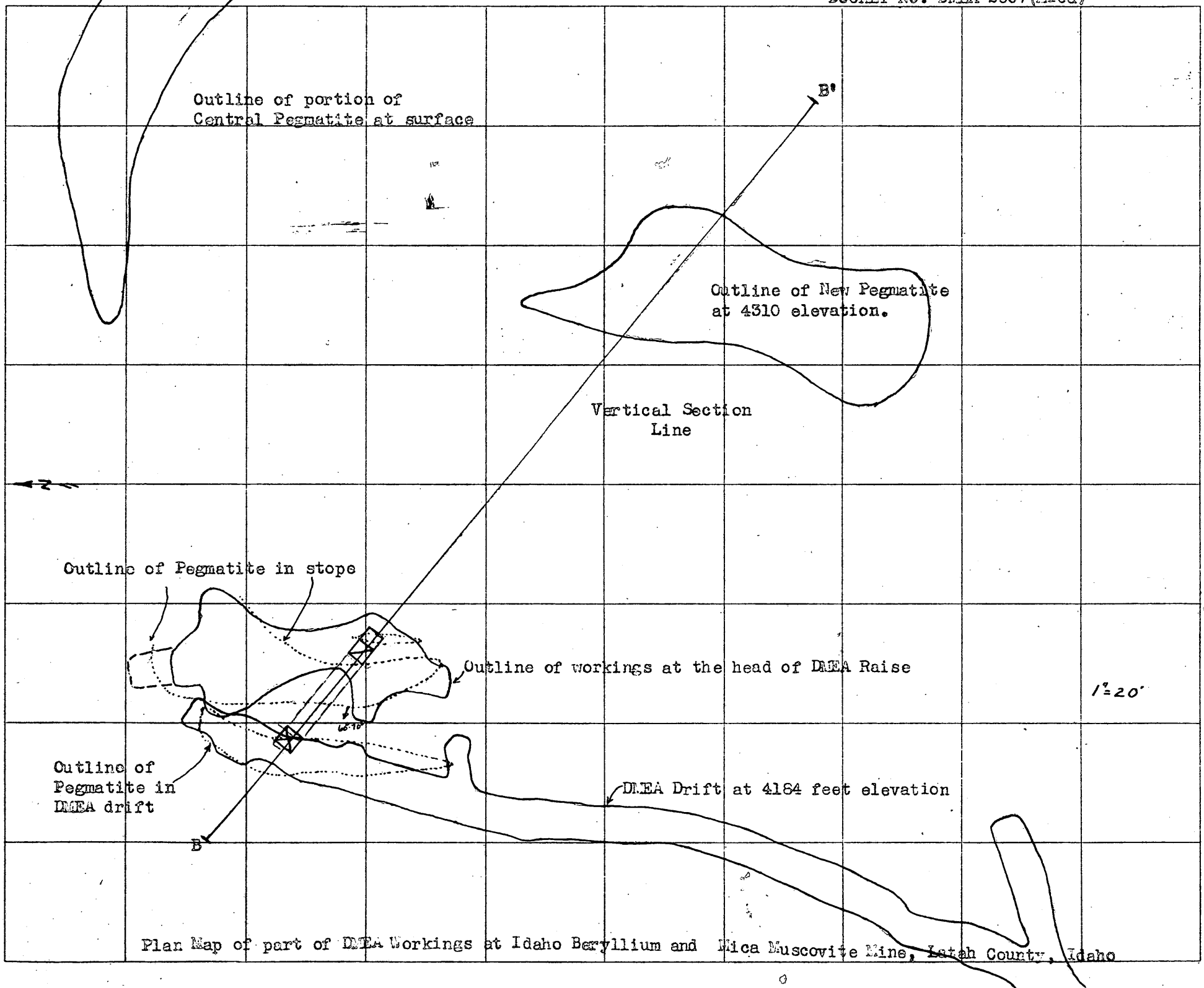


VERTICAL SECTION THROUGH DMEA RAISE AT THE

IDAHO BERYLLIUM AND MICA MUSCOVITE MINE

LATAH COUNTY, IDAHO

"ALBANENE" NO. 195M K&E CO., N.Y. REG. U.S. PAT. OFF



Plan Map of part of DMEA Workings at Idaho Beryllium and Mica Muscovite Mine, Latah County, Idaho

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

SEP 8 1953

Robertson
Hously
Elf.
Lee
Weissenborn

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-2426

Dear Mr. Weissenborn:

Reference is made to the interim inspection report by Mr. Anderson in memorandum dated August 13, 1953.

We note that there has been a temporary work stoppage. As the completion date is August 27, 1953, we suggest that an amendment be executed to allow sufficient time to complete the work.

Sincerely yours,

Ernest Wm. Ellis
857

ACTING Chairman, Operating Committee

Approved:

F. H. Hedges 857
Member, Bureau of Mines

A. R. Kinkel, Jr.
857
Member, Geological Survey

JTRobertson:gad 9/3/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

HHR
9-8-53

Mrs Robertson

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 20 1953

600

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1953 Docket No. DMEA 2607 Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90% Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Contracts: Short Form						
Drilling Diamond, Surface		2007.00	2007.00		2007.00	2007.00
~~Bulldozing~~ Timbering 6 ft	30.00	1220.00	1250.00	165.00	1220.00	1055.00
Crosscutting 8 1/2 ft.	276.25	455.00	731.25	276.25	455.00	731.25
Drifting 51 ft.	1657.50	14485.00	16142.50	1659.50	14885.00	16542.50
Diamond Drilling underground		3016.00	3016.00		3016.00	3016.00
Raising, 14 ft.	455.00	942.50	1397.50	455.00	942.50	1397.50
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00		2250.00	2250.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2418.75	24375.50	26794.25	2223.75	24775.50	26999.25

I certify that the above bill is correct and just and that payment therefor has not been received.

Date August 24, 53 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver Jr. Title Secretary
John A. Carver, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2001.36

Signature [illegible] (Authorized Certifying Officer)

Date 10/24/53 Vou. No. 947 (See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Engr Date 8/31/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr Date 8/31/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 3 Docket No. DMEA Contract No. Idm-D426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	1657.50	51	16142.50	509	32.50		
Crosscutting	Foot	276.25	8 1/2	731.25	22 1/2	32.50		
Raising	Foot	455.00	14	1397.50	43	32.50		
Shafts								
Winzes								
Drilling: ~~Core~~ Underground	Foot			3016.00	754	4.00		
~~Churn~~ Surface	Foot			2007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	30.00	6	1250.00	250	5.00		
TOTAL DISTRIBUTED COSTS		2418.75	79 1/3	24544.25				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		2418.75		26794.25				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date August 24, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

REMARKS:

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

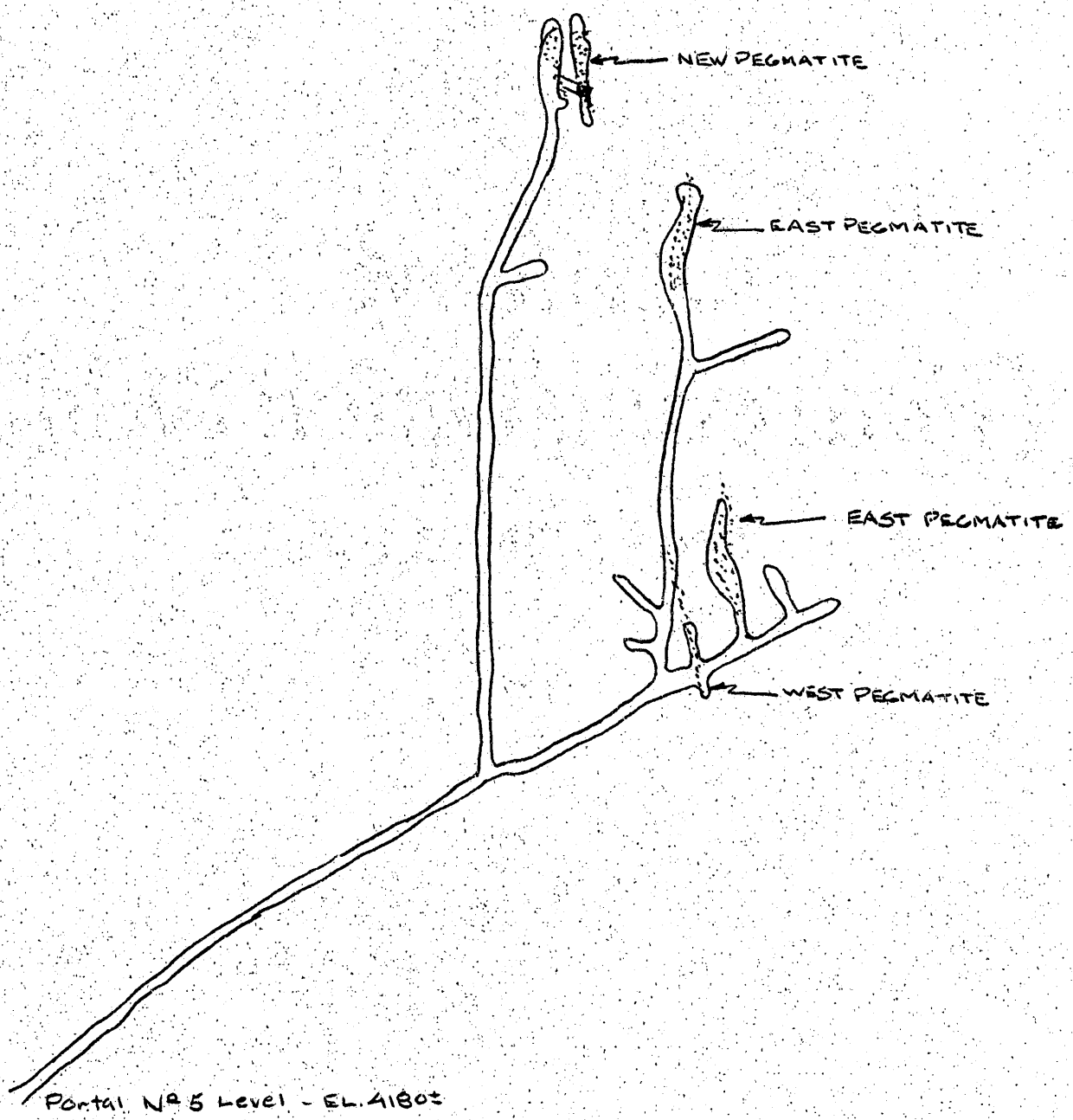
Idaho Beryllium & Mica Corp.
Contract No. Idm-E426
August 24, 1953

The raise was extended to the 43 foot point at which strategic book mica was found. Drifting was done on both sides of the raise to determine the extent of the pegmatite. The drifts were extended 16 1/2 feet to the south and 34 1/2 feet to the north. Two crosscuts were made to determine width.

The pegmatite is 45 feet long on this level and varies from 18 inches to 9 feet wide. The footwall zone contained strategic mica of mineable grade with scattered books throughout the pegmatite.

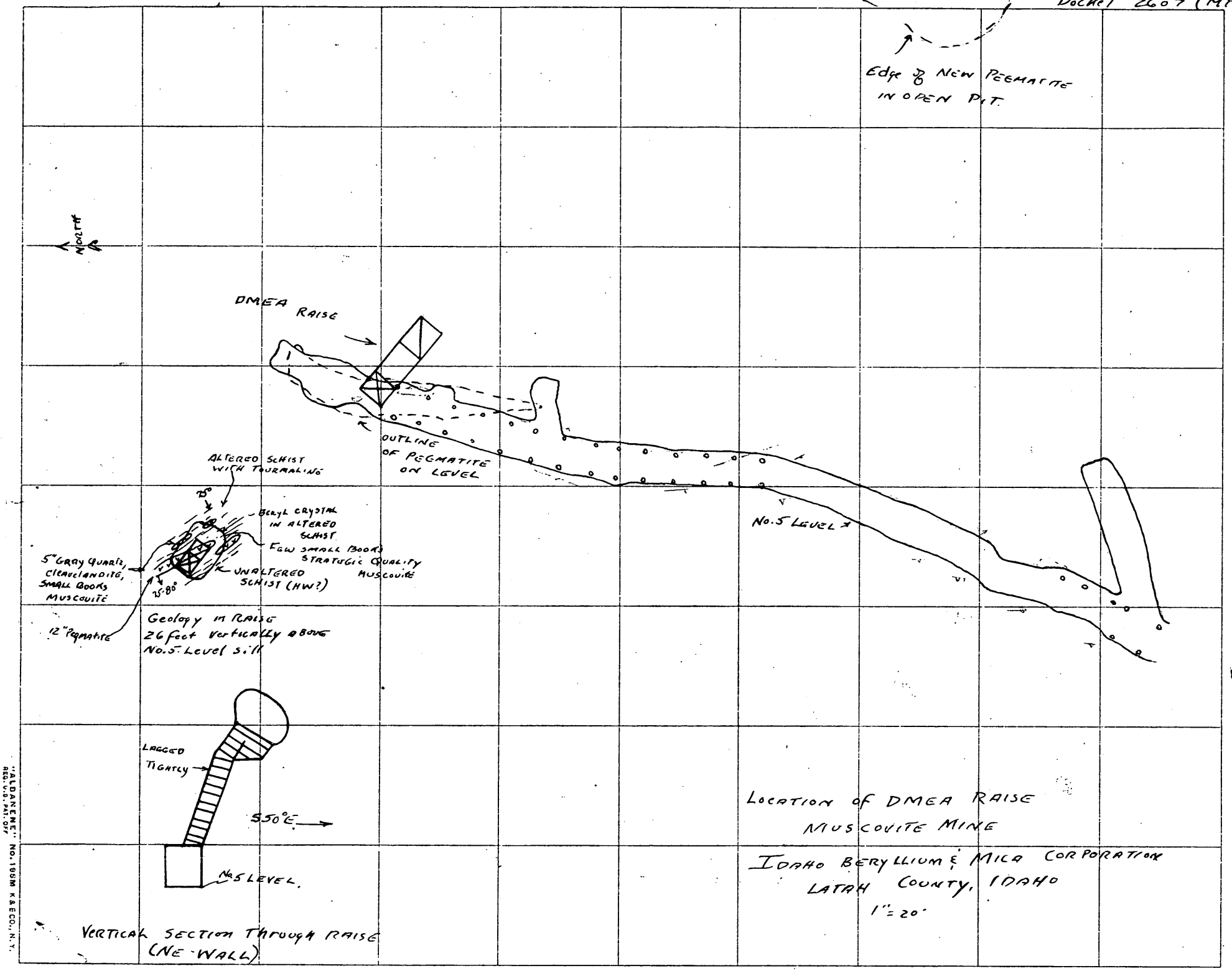
Stopeing operatings will begin in the near future.

DMEA Docket No. 2607
(Mica)



Scale 1" = 100'

Idaho Beryllium & Mica Corp. Muscovite Mine - Latah County, Idaho



"ALDANEME" REG. U.S. PAT. OFF. NO. 188M K&E CO., N.Y.

FILE COPY
SURNAME

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 25 1953

Houk
Robertson
Dietrich
Rubin
Hofflund
Martin
Selfridge

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to your letter of August 4, 1953, providing justification for additional funds for exploration below the No. 5 level.

In the opinion of the Operating Committee, in this particular case, the sinking of a winze and drifting at a lower elevation should be classed as development. W. C. Stoll in his Professional Paper No. 229, Page 47, indicates reserves in three areas below the No. 5 level. The DMEA diamond drilling program has proven the extension of the East pegmatite in depth. The rehabilitation of the No. 5 adit, and the DMEA drift and raise have provided near access to the New pegmatite being mined on the surface. Therefore, the recommendations for a certification of discovery or development meet with our approval. It is felt that no additional exploration funds are justified.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Approved:

M. H. Klipe

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

LGHouk:gad 8/21/53 Rewritten 8/24/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

HHH 8-25-53

FILE COPY
SURNAME:

Houk
Robertson
Dietrich
Porter
Hoffheuf
Martin

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to your letters of August 4 and 7, 1953, providing justification for additional funds for exploration below the No. 5 level.

In the opinion of the Operating Committee, in this particular case, the sinking of a winze and drifting at a lower elevation should be classed as development. W. C. Stoll in his Professional Paper No. 229, Page 47, indicates reserves in three areas below the No. 5 level. The DMEA diamond drilling program has proven the extension of the East pegmatite in depth, the rehabilitation of the No. 5 adit, and the DMEA drift and raise have provided near access to the New pegmatite being mined on the surface. The justification for claiming royalty on all production is that the work has been beneficial to the property as a whole.

The recommendations for a certification of discovery or development meet with our approval. It is felt that no additional exploration funds are justified.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

C. H. Johnson

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

LGHouk:gad 8/21/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

See attached 913 letter before release

FILE COPY
SURNAME:

Houk
Larrabee
Olive

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 2 5 1953

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Ida-8426

Gentlemen:

The Defense Minerals Exploration Administration has completed a study of your application of May 7, 1953, for additional aid to explore below the No. 5 adit in the Muscovite Mine by sinking a 120 foot winze and 500 feet of drifting and crosscutting.

In our opinion, the proposed new work is essentially development and preparation for mining of known mica reserves that have been reasonably delineated at that depth by diamond drilling already accomplished under the subject contract. Under these circumstances we regret to inform you that your application for additional exploration funds to perform that work is denied.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 8/21/53
Rewritten 8/25/53

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

HHK 8-25-53

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Robertson
Houk
Bretsch
Burton
Hoffland
Martin
Farrell
Johnson
Selfridge

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMRA-2607 - Mica
Muscovite Mine
Latah County, Idaho
Contract No. Ida-E426

Gentlemen:

Defense Minerals Exploration Administration has completed a study of your application for additional aid for an exploration project and other data relating to your proposal.

The proposed work is principally development or preparation for mining of a known mica shoot that has been indicated in depth by diamond drilling. Work of this nature is not permissible under DMRA Order-1, regulations governing Government aid in exploration projects.

Under the circumstances, we regret to inform you that your application for additional aid is denied.

We thank you for your interest and effort in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

Administrator

LGHouk:gad 8/21/53

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

August 25, 1953

Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Memorandum

To: Mr. C. O. Mittendorf

From: Lawrence G. Houk

Subject: Denial of request for additional funds.

The Nonmetallic Minerals Division recommends denial of request for additional funds because the work is principally development or preparation for mining. The work completed under the DMEA contract has extended the known limits of the East pegmatite 80 feet below the No. 5 level and the DMEA drift and raise therefrom has provided near access to the New pegmatite now being mined on the surface. It is felt that the $28,700.00 contract, when completed, will have been of sufficient benefit to the property so that a certification of discovery or development can be made.

The New pegmatite which is being mined on the surface can be made accessible to underground mining by a 80-foot raise from the top of the present DMEA raise. The East pegmatite can be underhand mined from its sill floor at the No. 5 level. The request for $42,609.40 additional funds is considered excessive for the size of the geologic target involved and is principally preparation for mining.

LGHouk:gad 8/25/53

Copy to: Admr. R. File
Docket File
Mr. Houk

8-25-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 26 1953

August 20, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-426

Dear Mr. Selfridge:

Mr. Slette of the Idaho Beryllium & Mica Corporation called us on August 18 to advise that the raise provided for in Amendment No. 4 to the contract has gone into good mica at 48 feet. Drifting will be started on the mica. Mr. Slette reports that the pegmatite is somewhat narrower than it was at the surface, but the mica zone is of good minable width and the mica is of good quality. We have not, as yet, had an opportunity to have one of our men examine the discovery, but we have no reason to doubt Mr. Slette's description of the findings.

On the basis of this and the results of the diamond drilling described in Mr. Puffett's memorandum of July 11, 1953, there would be a basis for certifying a discovery if we so desired although you may wish to wait until further drifting has delineated the extent of the mica-bearing zone. This information is sent to you as it may have a bearing on the consideration of the company's proposal for additional work on the property which is still under consideration in your office.

Mr. Slette states that now that the figures of purchases at the various mica purchasing depots have been released, it is possible to calculate the proportion that production from the Idaho Beryllium & Mica Corporation property has contributed to the mica purchase program. Mr. Slette claims that as of June 30, 95 percent of the trimmed mica bought at the Custer depot has come from the Idaho Beryllium property. During the same period 46.75 percent of the hand-cobbed mica purchased at the Custer depot has come from the Idaho Beryllium & Mica Corporation property. Mr. Slette says that since that time 37 more tons of hand-cobbed mica have been sent to the depot. Mr. Slette also

claims that 14½ percent of the total production of all types of mica purchased at all three mica depots for the mica program have come from the Idaho Beryllium & Mica Corporation property. During this time also, one ton of beryl has been sold.

We have no way here of checking the accuracy of these figures, but if they are as Mr. Slette claims, and we have no good reason to doubt his statement, then the Idaho Beryllium & Mica Corporation property is of very considerable significance in the mica picture, and this would certainly tend to lend greater justification for the approval of the extended program submitted by the company.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM(2)
Puffett

DEPARTMENT OF THE INTERIOR REFER TO:
Defense Minerals Administration DMEA-CNM
RECEIVED
AUG 18 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Memorandum

August 17, 1953

To: L. G. Houk, Defense Minerals Exploration Administration

From: D. M. Larrabee, U. S. Geological Survey

Subject: DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho

Field Team report of August 4, 1953, is at hand.

Comments:

Much of the past work appears to have been development rather than exploration.

Since the company has been mining a rich mica zone for more than one year, it would appear to me that when the economic limit of open pit mining has been reached, the mica-rich zone should be mined by shaft and drifting. Why leave the ore shoot at this time?

Since the workings on No. 5 level has exposed what is considered to be the new pegmatite, and the applicant is now raising on it, I see no justification for the expenditure of further funds for sinking and drifting.

"Although there is probably sufficient justification to certify a discovery on present evidence," etc, etc. (Puffett, July 11, 1953). Why not certify?

Any further work on East and West pegmatites will be development, for exploration has been done there.

This company has already received a great deal of Government help, is profitably mining mica, and should stand on its own feet for additional work.

RECOMMENDATION:

Denial of Stage II or other additional financial assistance.

D. M. Larrabee

D. M. Larrabee

913

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
August 13, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Interim inspection, Idaho Beryllium & Mica Corporation, Latah County, Idaho. Contract No. Idm-E426, Docket No. DMEA 2607 (mica)

The subject property was visited Wednesday, July 29, 1953. Mr. Albert Smith, engineer, was present at the property at the time of the visit.

The raise on the "New Pegmatite" has been advanced 29 feet and is a two compartment raise cribbed with 3" x 12" planking. A few beryl crystals and some ruby mica books were found in the last round, but the mica was not of a commercial grade.

Work completed to date under the exploration project contract follows:

472 ft. drifting and crosscutting
754 ft. diamond drilling- underground
446 ft. diamond drilling - surface
244 ft. timbering
29 ft. of raise

Work on the raise was temporarily suspended as the miners were dismissed because their rate of advance which was 2 ft. per shift, is less than has previously been maintained at the property. - Mr. Smith stated that he was trying to secure some miners from the Coeur d"Alene district.

At the present time there are three men working in the open pit cobbing mica and Mr. Smith stated that approximately 1,000 pounds of mica were cobbed per day. The trimming shed in Deary has only three women employees, but the staff will be increased as soon as they get production from the pegmatite on the 500 level.

Mr. Smith has been making test runs with his mill for grinding flour mica. He has been running approximately 100 pounds an hour and grinds to 70% minus 325 mesh. Equipment is ordered so that full scale operations can be initiated to grind their scrap mica into flour mica.

W. S. Anderson

W. S. Anderson

cc: Orig. & 3 cys- Wash.
USGS (2)
DMEA
Engr.
Md

WSA:mp

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1953

August 7, 1953

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Mittendorf:

This is in reply to your letter of August 3, 1953, on the subject contract.

In the first paragraph of that letter you state: "All mica that is removed through Tunnel No. 5, after execution of Amendment No. 4, is subject to royalty whether produced by company account or DMEA contract." This also is our understanding of the situation, and in our opinion does not represent any change from the provisions of Amendment 1 which specify that a royalty is payable on "all minerals mined or extracted from the land described in Article 2 through the No. 5 tunnel." In other words, this was the agreement before Amendment 4 was made, and Amendment 4 does not in any way change this.

In regard to the point brought out in the last paragraph of your letter, I would like further clarification before taking up this matter with the Operator. The Operator is at present mining ore from a discovery which he made before the start of the DMEA contract. He may also recover some material from the old dumps. It is exceedingly difficult for me to see the justice in claiming that the ore body discovered before the start of the contract or the material taken from dumps in existence long before the DMEA was ever dreamed has been in any way benefited by the work that is proposed below the No. 5 tunnel, nor why there should be any claim to the Government collecting royalty on such material. On the other hand, I think there is every justification why any and all material from below the 4 level or extracted through the No. 5 tunnel, whether discovered by the DMEA exploration or not, should pay royalty as this undoubtedly and definitely had been

benefited by the DMEA work. When the contract was begun, agreement was made to restrict royalty to material below the 4 level, and to ore coming out of the tunnel, and it is hard to see why there should be any change in these conditions. I am sure that the Operator will be completely unwilling to accept these conditions unless he is convinced that no ore will be recovered from the shallow levels or from the dumps in which case there will be no royalty to the Government anyway.

I would like to ask, therefore, that you review this situation carefully, and study the contract map in the light of the above. It would appear from the present production record that if the "New" pegmatite is productive below the 4 level and either the east or west pegmatites (or both) contain minable minerals below the 5 level, the Government's share of the contract could easily be repaid, and I certainly agree to lumping the present contract and the proposed expanded one so that if a discovery is certified, as it almost certainly will be, royalties would be collected for the full amount of both contracts regardless of whether the discovery was due to work on the original contract or to the additional work in the amended contract or both. It is difficult, however, for me to see the justice of claiming royalties on an ore body actually being mined at the time the contract went into effect or on dump material already in existence on the property. This material has not been benefited by the exploration.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 4, 1953

Executed

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

Enclosed are four copies of a summary report by Willard P. Puffett, Geologist, U. S. Geological Survey, on the exploration project at the Muscovite mine, in which special emphasis has been placed on results obtained in the diamond drilling portion of the project. This summary was prepared in response to your letter of June 15, 1953, wherein you request a summary of the exploration project in order to completely evaluate the Operator's application for an extension of the present contract.

Although it is intimated in your letter that no action will be taken until the present project is completed, it is our opinion that all work has been completed which will have any bearing on the proposed work outlined in the application for extension of the contract; therefore, it is hoped that a summary at this time may result in an earlier decision concerning the application. Current work on the project is being directed toward completion of a raise on the New pegmatite from the No. 5 level, from which drifting is planned to explore the New pegmatite on an intermediate level between the No. 5 level and the surface. This work is now nearing completion, but it will probably be from two to three weeks before the project is entirely finished. From present accumulated information, indications are that recommendations will be made for certification of discovery as a result of contract work.

In a previous memorandum report by Puffett, it was stated that diamond drill core recovery in critical areas of many of the completed holes was very poor. This was true in the case of completed holes No's. 2S, 3S, 4S, 1U, 2U, and 5U. Misinterpretation of the Operator's diamond

drill core logs of holes 4U, 6U, and 7U led us to believe that core recovery in the critical areas of these holes had been poor; however, when Puffett examined the mine on June 24 and 25 he logged the core and found that core recovery from the critical areas of these three holes had been very good. In hole 7U a nearly solid section of pegmatite 6 feet long was recovered, and there was also good evidence of pegmatite in the critical areas of holes 4U and 6U. Pegmatite core from these three holes coordinates very closely with the downward projection of the East and West pegmatites as may be seen in cross section B-B' accompanying Puffett's report. As a result of the indicated deeper extension of the East and West pegmatites there is some question whether sinking a winze and drifting on these pegmatites at a lower elevation should be classed as exploration or development. We believe that such proposed work should be considered as exploration inasmuch as pegmatites are, by habit, erratic and discontinuous and any type of development is of necessity exploration. The decision as to whether DMEA would consider the proposed additional work as exploration in which DMEA would participate is, however, a decision for the Operating Committee.

The Field Team believes that the Operators are sufficiently competent to carry out the extended exploration program. Completed contract work has been satisfactory in all respects and reports submitted indicate that the Operator is familiar with the various problems attendant to exploration and mining operations.

The Field Team again wishes to emphasize that from a relatively small area of the New pegmatite more than 538,000 pounds of hand-cobbed mica have been produced, a significant amount of mica. Other pegmatites on the property have not been as productive, but the property as a whole represents a large potential of strategic mica and it is believed that further exploration is justified.

In the light of Puffett's recent examination of the drill core, and in view of the production from the New pegmatite, the Field Team believes that further exploration, as proposed by the applicant, is justifiable and recommends Government participation in this work.

By DMEA Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

acting for Thomas E Howard

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure
cc: USBM (2)
Puffett

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 3 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to the teletype of July 29, 1953, and Annex No. 2, which is a part of Amendment No. 4 requiring that the applicant pay royalties on all production of ore that comes through Tunnel No. 5. All mica that is removed through Tunnel No. 5, after execution of Amendment No. 4, is subject to royalty whether produced by company account or DMEA contract.

With reference to the Operator's request of May 7, 1953, for additional funds, please advise the Operator that the request will be given favorable consideration only if the corporation is willing to pay royalties on all production from the mine.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

LGHouk:gad 7/29/53

Copy to: Admr. R. File
Docket File
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Operating Committee

R.C.B.
8-3-53

Form DMEA-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA _____ Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 29,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond-Surface		2,007.00	2,007.00			
~~Timbering~~ Timbering 33 ft	165.00	1,055.00	1,220.00			
Crosscutting		455.00	455.00			
Drifting		14,885.00	14,885.00			
Diamond Drilling, underground		3,016.00	3,016.00			
Raising - 29 ft.	942.50		942.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2,250.00	2,250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,107.50	23,668.00	24,775.50	1107.50	23668.00	24,775.50

I certify that the above bill is correct and just and that payment therefor has not been received.

Date August 4, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 996.75

Signature _____ (Authorized Certifying Officer)

Date 8/12/53 Vou. No. 859
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 426 in accordance with the terms of the contract.

Signature W. L. Anderson Title M. Eng. Date 8/7/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. F. E. Howard. Title M. Eng. Date 8/7/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA _____ Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot			14,885.00	458	32.50		
Crosscutting	Foot			455.00	14	32.50		
Raising	Foot	942.50	29	942.50	29	32.50		
Shafts								
Winzes								
Drilling: ~~Core~~ Underground	Foot			3,016.00	754	4.00		
~~Blast~~ Surface	Foot			2,007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	165.00	33	1,220.00	244	5.00		
TOTAL DISTRIBUTED COSTS		1,107.50	62	22,525.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1107.50		24,775.50				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date August 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary
John A. Carver, Jr.

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

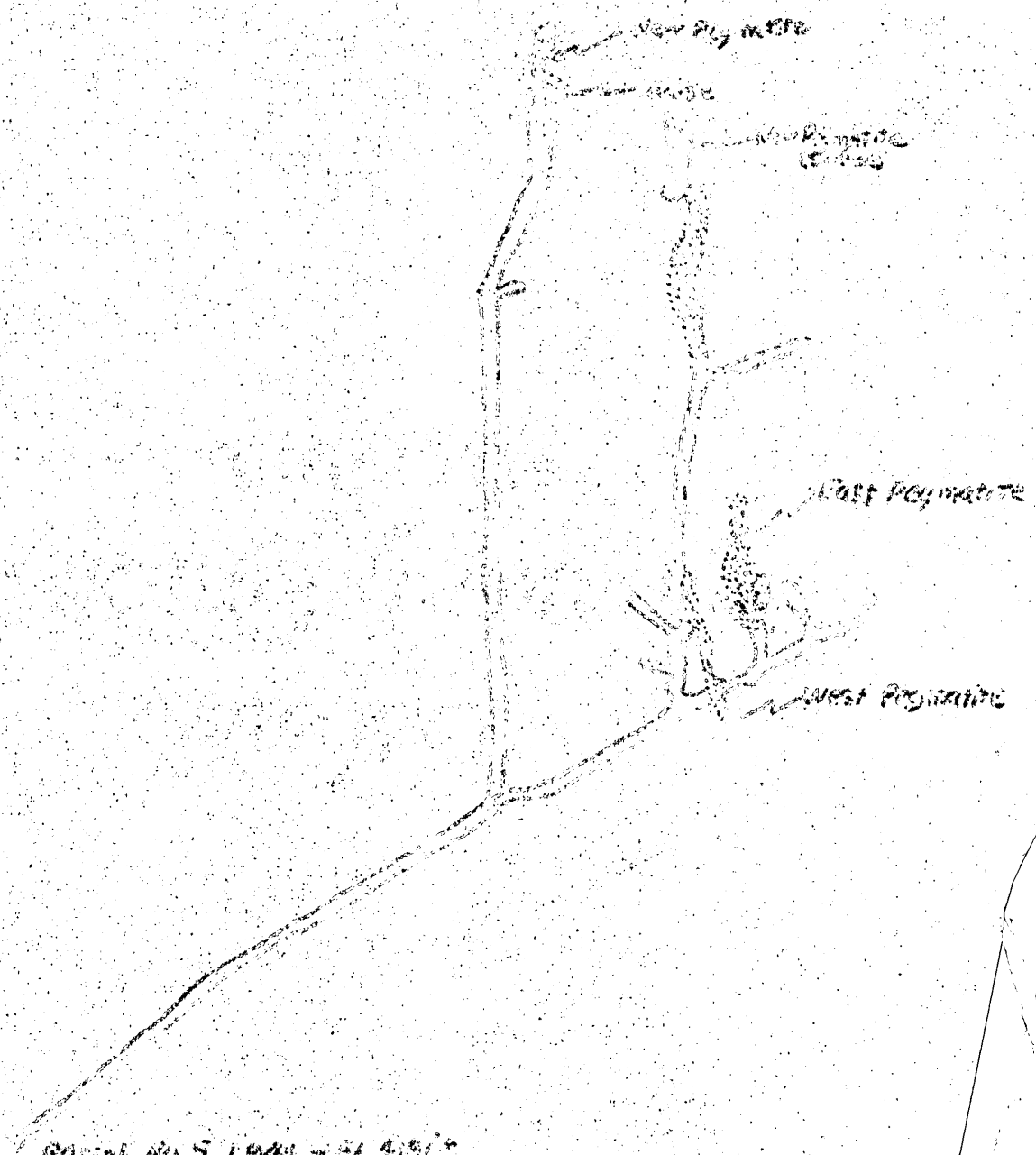
GPO 83-38475

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Contract No. Idm-E4,26
August 4, 1953

A cribbed raise was started on the New Pegmatite at the point indicated on the map. To date it has been driven 29 feet. A sufficient quantity of strategic mica has not yet been encountered. The raise will be continued to the fifty foot point and a drift will then be driven along the pegmatite to explore for mica in its other portions.

DMG [illegible] No. 2607
(Mica)



Portal No. 5 Level – 31 [illegible]

Scale [illegible]

Idaho Beryllium Corp. Muscovite Mine – Latah County, Idaho

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25~~
So. 157 Howard Street
Spokane 4, Washington

MEMORANDUM

July 30, 1953

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Routine Inspection, Docket No. DMEA-2607 (Mica), Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho, Contract No. IDM-E426.

A routine examination of the Muscovite Mine was made on Wednesday, July 29, 1953. Mr. Smith, engineer, and Mr. Slette, general manager, were at the mine. The primary purpose of the inspection was to examine the raise allowed under terms of Amendment No. 4 to the contract.

The raise has been driven in the area bordering the southern extension of the New Pegmatite on the No. 5 level. The raise has a bearing S. 50° E. and is inclined at an angle of 70° for 16.5 feet and 53° for the remaining 12.5 feet. Thus, the top of the raise is at a vertical elevation of 33 feet above the sill of level No. 5. The raise is tightly lagged, and the walls are exposed in only the upper parts. Pegmatite material, occurring as stringers in altered, tourmalinized schist is exposed in the top of the raise. A few crystals of beryl are in the schist. It is believed the raise is following the hanging wall of the pegmatite very closely as relatively unaltered schist is found in the hanging wall portion of the pegmatite in the raise.

A few books of strategic grade muscovite occur in the pegmatite. Although these books measure only 1 to 3 inches in diameter, it is believed they represent a zone from which muscovite may be recovered. The albite associated with the pegmatite is nearly fifty-fifty cleavlandite and granular albite. Consequently, it is believed the raise is nearing the area in which drifting along the pegmatite will expose a portion of the pegmatite from which strategic mica can be produced.

Although the Operators formerly thought that open-pit operations on the New pegmatite had reached the economic limit insofar as depth is concerned, continued prospecting of the wide altered zone in the footwall area of the pegmatite has exposed good muscovite, and at least two weeks

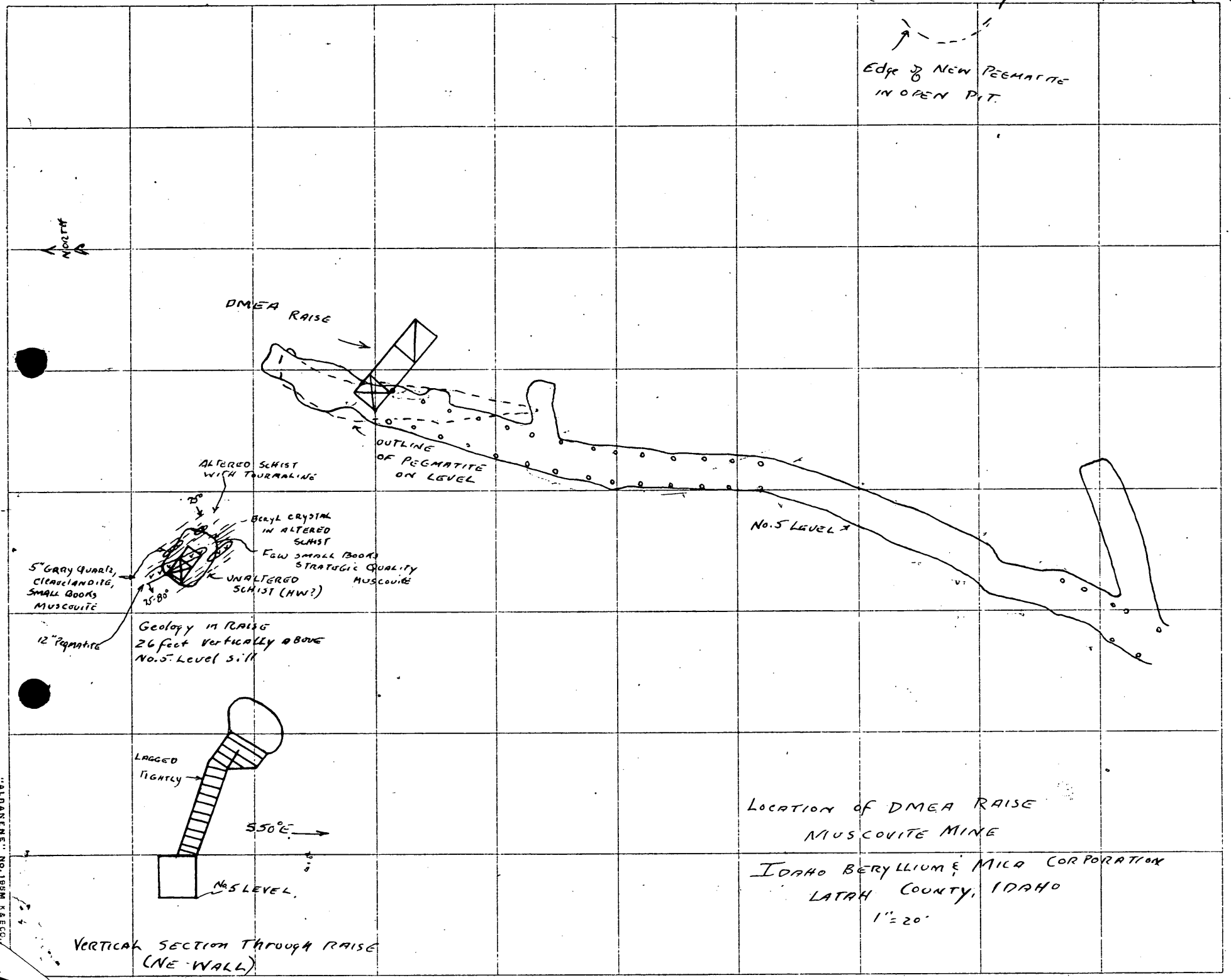
production has been obtained from an area in which it was formerly thought that all strategic mica had been removed.

The Operators have exposed another pegmatite by bulldozing. This pegmatite is approximately 200 yards south of other known pegmatites and is aligned in a direction so as to be considered a southern extension of the Central pegmatite. A great amount of sheet mica is exposed in the bulldozer cut but the muscovite is not of strategic quality. Of course, the work done on this new discovery was not done under terms of the current DMEA project contract.

A showing location of the raise and the geology at the head of the raise accompanies this report.

Enclosure: 1

Distribution:
DMEA (Orig. and 3)
USBM (2)
Docket
Puffett



"ALDANENE" No. 195M K&E CO. REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG - 3 1953

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

July 30, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-267 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 4 to the subject contract.

Please note that it was necessary for us to retype Annex II to insert the phase "except the area except in Amendment No. 3."

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

Thor H. Kullegaard
Acting Member
DMEA Field Team, Region II

Attachment

cc: Finance Officer w/encl.
UEBM (2)
Puffett

FILE COPY
SURNAME:

Houk
Hoffmann

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

DMEA

143923.970 Working Fund, Interior, Defense Minerals Exploration Administration 4637
July 28, 1953
2:30 P. M.

A. A. Weisenborn, Executive Officer, DMEA Field Team, Region II
South 157 Howard Street, Spokane 4, Washington
DMEA-607, Idaho Beryllium & Mica Corporation, Amendment No. 4.

You are hereby authorized to add to Annex No. 2, Amendment No. 4 of Contract Idm-426, line 9, after land "except the area exempt in Amendment No. 1".

C. O. Mittendorf (for)

C. O. Mittendorf, Administrator
Defense Minerals Exploration
Administration

LGHouk:gad 7/28/53

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.H.
7-28-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

July 27, 1953

Memorandum

To: Mr. J. L. Hofflund

From: Lawrence G. Houk

Subject: Idaho Beryllium Corp., Docket No. DMEA-2607

Mr. Mittendorf received a telephone call today from Mr. Weissenborn who stated that the addition of Annex No. 2 to Amendment No. 4 of the Idaho Beryllium Corp., nullifies and makes void the intent of Amendment No. 1. Can you draft a reply for Mr. Mittendorf's signature?

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

July 11, 1953

Memorandum

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2607 (Mica), Routine inspection and summary of exploration work at Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho, Contract Idm-E426

A rouxtine inspection of the Muscovite Mine was made on Wednesday and Thursday, June 24, and 25, 1953. Mr. Albert Smith, Engineer, and Mr. Orville Slette, General Manager of the Corporation, were at the mine both days. The purpose of the inspection was to complete mapping the DMEA drift and to finish checking the drill core from diamond drill holes drilled under the terms of the contract. Contract work had been suspended June 17, 1953, as the Operators were awaiting the DMEA decision on their request to drive a raise on the pegmatite which had been intersected in the DMEA drift. (A telegram dated July 10, 1953, from the DMEA Operating Committee approved the request for the driving of the raise.)

A plan map and two vertical sections, both on twenty scale, have been prepared to accompany this report. On these maps the location of all DMEA work at the mine is shown in relation to other workings and surface traces of known pegmatites.

The purpose of the project at the Muscovite mine was to explore for deeper extensions of the new pegmatite, a pegmatite discovered early in the summer of 1952 when the Operators were bulldozing old dumps preparatory to milling these dumps for their scrap mica content. Although unusually productive of strategic quality mica, the newly found pegmatite was found to be somewhat restricted in horizontal outline, which meant that open-pit operations would soon reach the downward economic limit of mining, and thus the Operators were desirous of proving the new pegmatite's persistence in depth to the No. 5 level, from above which mica could be extracted economically by underground mining methods. Preliminary diamond drilling was planned, which if successful, would be followed by rehabilitation of the No. 5 level adit, and a drift would be driven to the projected location of the pegmatite on the No. 5 level.

Prior to the completion of negotiations on the contract, the Operators completed a diamond drill hole from the surface which contacted mica-and beryl-containing pegmatite material at a location some distance beneath the No. 5 level. Because of this rather fortuitous intersection, it was believed sufficient evidence had been obtained to prove the New Pegmatite persisted to depth, and thus further drilling from the surface was deemed unnecessary. As finally outlined, contract work was to begin with the rehabilitation of the No. 5 level, which was to be followed by drifting to the projected location of the New Pegmatite on this level.

From a location in the No. 5 adit 329.5 feet from the portal, a drift was driven approximately straight north for 275 feet. From this location a crosscut was driven N. 75° E. for nearly 30 feet, through the area in which it had formerly been assumed the downward extension of the New pegmatite would be found. This crosscut was unsuccessful in finding pegmatite, and consequently the Operators recessed further drifting or crosscutting and completed diamond drilling as allowed in the contract in an effort to more definitely locate the downward extension of the New pegmatite and also to test for extensions of the West and East pegmatites beneath the No. 5 level. Eight holes were drilled from underground drill stations, which, although being successful in finding extensions to depth of the West and East pegmatites, were not successful in intersecting downward extensions of the New pegmatite. (As per Amendment No. 2) Three diamond drill holes were then drilled from a surface diamond drill station in an effort to intersect the New pegmatite at an intermediate elevation between the surface and the No. 5 level. All three surface holes intersected a wide zone of much tourmalinized schist, but the core from only one hole contained pegmatite material. An examination of the data obtained from the surface drill holes suggested the New pegmatite was plunging northwardly, as opposed to the slightly southward plunge of other known pegmatites at the property.

As a result of the information gained by the surface diamond drilling, it was believed that the DMEA drift would intersect the downward extension of the New pegmatite if the drift were extended in a direction slightly east of north. The drift was extended 70 feet at which place altered schist containing much tourmaline with occasional pods of feldspars was encountered. The drift was turned to a more northward direction paralleling this altered zone and at 50 more feet a pegmatite was intersected. The drift was driven to the northward limit of the pegmatite and then two short crosscuts near the pegmatite's southern extremity were driven. As a result of this work, a pegmatite was outlined having a length of 43 feet and a maximum width of 8 feet. The general outline of the pegmatite is teardrop shaped with the blunt termination being at its northern extremity.

One of the two crosscuts in the pegmatite has exposed the southern tip of the pegmatite. Here the pegmatite gradually narrows to less than 6 inches before ending completely. Very coarse-grained albite (cleavelandite), and concentrations of smoky quartz and black tourmaline ranging in diameter to 4 inches, make up the pegmatite near

its southern tip. Some sheet muscovite is found here. In the wall of this southern tip of the pegmatite to the east and south is much fine-grained feldspar, quartz, muscovite, with narrow stringers of smoky quartz in which are found occasional crystals of light green beryl up to three-quarters of an inch in diameter. About 17 feet north of this southern tip of the pegmatite, lenses of nearly solid gray quartz, up to 14 inches wide, trending north and dipping 40 degrees to the west, are found in the central portion of the pegmatite. Surrounding the quartz lenses is much coarse-grained cleavelandite, and some muscovite books 2 to 4 inches wide are found near the quartz lenses. Much of the southern portion of the pegmatite is obscured by lagging on the back and walls of the drift.

On the west side of the drift, and also the west side of the pegmatite approximately 30 feet north of its southern tip, a 14-inch wide band of black tourmaline occurs. Just to the south of this tourmaline band, much sheet mica up to 6 inches wide occurs. Although a considerable amount of this muscovite was produced, it was not of strategic quality, being greenish and relatively soft.

About 38 feet north of the southern tip of the pegmatite, both walls of the pegmatite are exposed and at its northern extremity the pegmatite is 6 feet wide. Scattered small books of muscovite and scattered tourmaline crystals are found along the border zone of the pegmatite in its northern portion.

The exposed areas of the pegmatite were examined with a fluorescent lamp and checked with a portable Geiger counter. Surrounding the southern portion of the pegmatite, much greenish yellow fluorescence occurs, which, when checked with the Geiger counter, showed a slight radioactive anomaly. Scattered green fluorescence was found to exist throughout much of the pegmatite but at only one place was a significant radioactive anomaly noted. This location is shown on the accompanying map. It was definitely around some localized brownish stained spots in cleavelandite near the massive tourmaline band on the west side of the drift. It is assumed that the source of the radioactive anomaly is tiny crystals of meta-torbernite.

In summary, it appears from present exposures that this pegmatite found on the No. 5 level, is a well-zoned pegmatite with a quartz core, a cleavelandite, quartz-muscovite wall zone, plus border zone rich in tourmaline and some sheet muscovite. There appears to be a thick altered zone bordering it on the east and south, with only a very restricted alteration zone along its western and northern margins. In the crosscut at the southern tip of the pegmatite, it appears that there is a good possibility more pegmatite could be found a short distance to the south by drifting in a direction parallel to the general strike of the now exposed pegmatite. Although it cannot be stated for certain that this pegmatite is the downward projection of the New pegmatite, its location, the type of alteration halo around it, and the presence of much tourmaline and radioactive minerals along its outer wall zone and border zone, support the probability that it is the downward extension of the New pegmatite.

It was pointed out to the Operators that more crosscutting and drifting, especially just south of the pegmatite on the No. 5 level, may be successful in exposing more pegmatite. They are fully in agreement with this but as there remains only a very limited amount of underground work allowed under terms of the contract, they are desirous of utilizing this work to raise on the now exposed pegmatite in an effort to reach a zone from which strategic mica may be produced. As their operations on the surface are fast approaching the economic limit for pit operations due to the depth of the pit, their main concern is to find more strategic mica in an effort to maintain an economic rate of production. Some mica is being produced from the West pegmatite in a stope beneath the No. 4 level, but the quantity is insufficient to maintain their present stockpile. Now that the amendment has been approved to allow raising on the newly intersected pegmatite, it is hoped that within a short time strategic mica will be encountered and the pegmatite can be outlined at a higher elevation above the No. 5 level. Although there is probably sufficient justification to certify a discovery on present evidence, it is recommended that certification be delayed until it is certain as to just which pegmatite is being explored, and more can be determined regarding the quality of the contained sheet mica.

In a letter dated June 15, 1953, from George Selfridge, Chairman, Operating Committee, DMEA, it was requested that a summary of the exploration work at the Muscovite mine be made at an early date. This summary is necessary before consideration can be given the Operator's request for an extension of their present contract to permit sinking and drifting at an elevation below the No. 5 level to explore deeper extensions of the East, West, and New pegmatite. It was intimated that perhaps the degree of competency of the diamond drillers, apparently based on the percentage core recovery of completed diamond drill holes, would have an important bearing on the decision concerning this requested extension. Although the contract is not yet completed, it is believed that all that work having a direct relation to the proposed extended project work has been completed, and thus can be summarized now and submitted in an effort to expedite final decision on the requested contract extension.

Total contract work finished as of June 17, 1953, equals 473 feet of drifting and crosscutting, 754 feet of diamond drilling from underground stations and 446 feet of diamond drilling from a surface station. The Government is contributing 90 percent of the costs, based on a unit cost of $32.50 per foot for drifting and crosscutting, plus $5.00 per foot additional when timbering is required; $4.50 per foot for drilling from surface drill stations, and $4.00 per foot for drilling from underground drill stations. Total unexpended funds as of June 17, 1953, equalled $4,355.00 which was to be allowed for 128 feet of drifting and crosscutting with a maximum of 39 feet of timbered workings allowed. Diamond drilling allowed under the contract had been completed.

Following is a summary of the data obtained from the diamond drilling. No attempt has been made to give detailed logs on each hole.

With the application for the contract extension, the Operator submitted complete, concise logs, from which added details may be obtained if portions of the following summarizations are considered to be inadequate. All underground holes were collared for 5 feet with NX core, whereas the surface holes were drilled the first 8 feet with NX core bits. The remainder of all holes were drilled with size BX core bit. The coordinate locations given in the summary data of each hole have been taken from the accompanying map, and although perhaps at slight variance with locations given in previously submitted reports, are believed to be correct, as the accompanying map is based on a transit survey by Mr. Smith, Engineer of the Idaho Beryllium and Mica Corporation.

Summary of Drilling from Underground Stations

(All in DMEA drift on No. 5 level)

Hole No.: 1U
Location: 10,462N, 10,309E
Bearing: N. 76° E.
Inclination: Horizontal
Length: 80 feet

Remarks: Entire hole in schist, foliation 60-70° to center line. Tourmalinized schist 37-42; 54-68 feet. No pegmatite recovered in core. Total length of core recovered, 42.6 feet; percentage core recovery, 53.3 percent. Core recovery practically nil between 42 and 56 feet. Percentage core recovery in other portions of hole ranged from 60 to 85 percent.

Hole No.: 2U
Location: 10,455 N., 10,300 E.
Bearing: N. 76° E.
Inclination: Minus 45°
Length: 110 feet

Remarks: Entire hole in muscovite schist, foliation 65-75° to center line of core. Tourmalinized schist 56-69 feet, and 85-92 feet. No pegmatite recovered in core. Total length of core recovered, 58.6 feet; percentage core recovery, 53.3 percent. Core recovery very low in tourmalinized schist; other portions of hole core recovery averaged slightly more than 60 percent.

Hole No.: 3U
Location: 10,447 N., 10,284 E.
Bearing: S. 76° W.
Inclination: Plus 45°
Length: 78 feet

Remarks: This hole was not logged as it was reported that no pegmatite or tourmalinized schist was intersected by it.

Hole No.: 4U
Location: 10,303 N., 10,286 E.
Bearing: N. 90° E.
Inclination: Minus 50°
Length: 140.5 feet

Remarks: Scattered tourmaline in schist was intersected from 64 feet to end of hole. One-inch wide bands of pegmatite were intersected at 79.5, 95.5, 95.7, and 99 feet. A 2-inch wide band of pegmatite was intersected at 126.5 feet and 14 inches of pegmatite was recovered beginning at 129.7 feet. This suggests two pegmatite zones were intersected--one between 95 and 100 feet and the other between 125 and 130 feet. Total core recovered in the hole was 110.75 feet, representing 79 percent recovery. Recovery in the pegmatite zones was from 95-100 percent.

Hole No.: 5U
Location: 10,463 N., 10,309 E.
Bearing: N. 68° E.
Inclination: Minus 30°
Length: 92 feet

Remarks: Entire hole in muscovite schist. Tourmalinized schist 51-62 feet and 76-83 feet. Sheet mica was intersected some place between 79 and 81 feet. No pegmatite recovered. Total length of core recovered equalled 37.1 feet, representing 40.2 percent core recovery. Core recovery averaged very low throughout length of hole.

Hole No.: 6U
Location: 10,303 N., 10,286 E.
Bearing: N. 90° E.
Inclination: Minus 33°
Length: 130 feet

Remarks: Entire hole in muscovite schist. Scattered tourmaline in schist from 64 feet to end of hole. One-inch wide pegmatite at 90.5 feet; three-inch wide pegmatite at 92 feet; seven-inch wide pegmatite at 108.5 feet; and 17-inch wide pegmatite at 127 feet. Sheet mica found in the pegmatite at 108.5 and 127 feet. Total length of core recovered is 100 feet, representing total core recovery of 77 percent. Complete core recovery in the pegmatite at 127 feet but core recovery in other pegmatite areas ranged from 40 to 60 percent.

Hole No.: 7U
Location: 10,307 N., 10,287 E.
Bearing: N. 79° E.
Inclination: Minus 30°
Length: 140 feet

Remarks: Entire hole in muscovite schist. Scattered tourmaline in schist from 61 feet to end of hole. Three-inch wide pegmatite at 77 feet; 12-inch wide pegmatite with sheet mica at 107.5 feet; and 6 feet of pegmatite with sheet mica between 126-132 feet.

Eighty percent core recovery between collar and 87 feet, nearly 100 percent core recovery thereafter. Six-foot wide pegmatite at 126 feet; core recovery 100 percent. Made up of coarse albite, some quartz, with many books of sheet mica. Mica only slightly stained, appears to be of strategic quality.

Hole No.: 8U
Location: 10,398 N., 10,297 E.
Bearing: N. 90° E.
Inclination: Horizontal
Length: 81 feet

Remarks: This hole was not logged. No pegmatite was intersected although zones of tourmalinized schist were intersected. This hole was not claimed under DMEA contract.

On the accompanying map showing vertical section B-B', locations of pegmatites intersected in holes 4U, 6U, and 7U have been plotted. These pegmatites are in the correct position to represent downward extensions of the East and West pegmatites. The pegmatite intersected between 126 and 132 feet in hole No. 7U is wide enough to be considered of economic interest, especially as much sheet mica was found in it. Core recovery was sufficiently good in these three holes to substantially indicate that the widths of pegmatite as logged represent the true length of intersection of the pegmatite area. The drill holes indicate the downward extension of the East pegmatite is sufficiently wide to merit further exploration by underground workings, and that there is a good probability the West Pegmatite extends to depth but it is problematical as to whether it will persist in sufficient width and character to be minable.

Summary of Drilling from Surface Station

All holes were drilled from a drill station at 10,464 N., 10,260 E. at an elevation of 4345 feet.

Hole No.: 25
Bearing: N. 80° E.
Inclination: Minus 50°
Length: 148 feet long

Remarks: Entire hole in muscovite schist. Foliation 70-85° to center line of core. Alteration zone with much tourmaline, scattered tiny beryl (?) crystals, and granular muscovite to 0.1 inch wide, from 118 feet to approximately 145 feet. Hole ends in light gray muscovite schist. Total length of core recovered is 99.1 feet, representing 67 percentage core recovery. Core recovery in unaltered portions of the schist averaged from 70 to 80 percent.

Hole No.: 35
Bearing: N. 68° E
Inclination: Minus 50°
Length: 149 feet

Remarks: Alteration zone with much tourmaline from 118 feet to 139 feet. Other parts of core is gray to brownish gray muscovite schist. Alteration zone has few tiny beryl crystals plus tiny grains of meta-torbernite from 130 feet to 131 feet. Tourmaline diminishes in quantity from 131 feet to 139 feet. Total length of core recovered is 98.2 feet, representing 66 percent core recovery. In area outside of alteration zone, core recovery was 73 percent.

Hole No.: 4S
Bearing: N. 55° E.
Inclination: Minus 50°
Length: 149 feet

Remarks: Alteration zone from 119 feet to end of hole. Only 2 feet of core recovered in this zone. Two inches of pegmatite intersected at 132 feet. Other than in this zone, core recovery totalled 92.90 feet, representing percentage core recovery of 78 percent. It is believed the pegmatite intersected in this hole represents the downward extension of the New pegmatite. This has, in part, been substantiated by drifting to the pegmatite on the No. 5 level subsequent to the drilling of this hole.

With the exception of holes 1U, 2U, 3U, and 5U all core has been placed in core boxes made at the mine. Dimensions of these boxes are 23 inches by 60 inches, and each box holds eleven rows of core.

Insofar as competency of supervision and operation are concerned, it has been above average at this mine as compared to the majority of properties at which DMEA projects have been approved. The maps and core logs that have been submitted by the Operator have been checked and have been found to be satisfactory. I would like to emphasize that this is one of the few projects with which I've been associated where a competent engineer and geologist has been supervising the operation.

It is problematical, of course, and a decision to be reached by the Operating Committee as to whether we now have sufficient information to positively prove the East and West pegmatite persists to the depth as indicated by the completed diamond drill holes. It still seems to be well within the realm of exploration to permit sinking and drifting at a lower elevation to completely determine if added strategic mica can be outlined below the No. 5 level. Regardless of the relative competency of the Operators, which is average or above, the fact remains that the Muscovite mine still possesses a large potential of strategic mica. The Operators state they are at this time not financially capable of sinking the winze and drifting with

their own funds. If the Government is still in need of more strategic mica to bolster their stockpile, it is my opinion that the application for the winze and lower drift be given favorable consideration, especially as the premium price being paid for the mica from this mine will permit very rapid amortization of the Government's share of the exploration costs, should the extended project be successful.

Enclosures 2
Distribution:
DMEA (Orig & 3)
USBM (2)
Docket
Puffett

DMEA-2607
Docket File

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

July 10, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2607, Mica, Muscovite Mine, Latah County, Idaho

It is recommended that DMEA Contract IDm-E426 be amended to permit a raise be driven on the "New" pegmatite from the drift level.

W. F. Dietrich

W. F. Dietrich

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 600

JUL 10 1953

Houk
Selfridge
Kinkel
Johnson

Mr. L. M. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-2426

Dear Mr. Weissenborn:

Reference is made to your letter of June 22, 1953, proposing Amendment No. 4 to the subject contract to permit raising on the pegmatite. Please find herewith the original and five copies of Amendment No. 4 to the subject contract which have been signed by the Administrator.

Please note the addition of Annex II which requires payment of royalties to the Government on any production during the contract whether or not a certification is made.

If the amendment meets with your approval, present it to the operator for its approval and signature. If any part of this amendment does not have either your approval or that of the operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

After execution of the amendment, the copies are to be distributed in the usual manner.

Copies of memoranda from the Geological Survey and the Bureau of Mines on the subject amendment are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

Enclosures 10

LGHouk:gad 7/9/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg
Mr. Houk

R.G.H. 7-10-53

FILE COPY
SURNAME:

Robertson
Fisdale
Fuqua
Selfridge
Chamberlin
Johnson
McCarthy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

14:3923.970 Working Fund, Interior, Defense Minerals Exploration Administration
July 10, 1953

[illegible] Thorn, Executive Officer, DMEA Field Team, Region II
[illegible] Street, Spokane 4, Washington
[illegible]-6.7, Idaho Beryllium and Mica Corporation

[illegible]ment Idaho Beryllium Contract [illegible] approved today.

George C. Selfridge

(216)

7-10-53

George C. Selfridge
Chairman, Operating Committee
Defense Minerals Exploration Administration

71

LGHouk:gad 7/10/53

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Operating Committee

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
RECEIVED
JUL 10 1953

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GENERAL SERVICES ADMIN.
PUBLIC BLDGS. SERVICE
BMD - COMMUNICATIONS

DMEA-2607

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SPOKANE 7-9-53 215P

MR. GEORGE C. SELFRIDGE

CHAIRMAN OPERATING COMMITTEE

DMEA, DEPARTMENT OF INTERIOR

WA 25 DC

RE FIELD TEAM LETTER JUNE 22 1953, REQUESTING PERMISSION TO AMEND IDAHO BERYLLUM AND MICA CORPORATION, CONTRACT NO. IDM-E426, TO ALLOW RASING. PLEASE WIRE YOUR ADVICE. EXPLORATION AT STAND STILL AWAITING YOUR DECISION.

A E WEISSENBORN, EXECUTIVE OFFICER, DMEA FIELD TEAM, REGION II

22 1953 IDM-E426

VA 217P

Docket File
DMEA-2607

IN REPLY REFER TO:
G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

July 6, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2607 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Robert Lawthers, U. S. Geological Survey
Applicant: Idaho Beryllium and Mica Corporation
Name of property: Muscovite Mine.
Location of property: Latah County, Idaho.
Date of field team report: June 22, 1953.
Authorship of field team report: Field Team, Region II, DMEA.
Field Team's recommendation:

Contract be amended to allow for the driving of a 50-foot raise on the "New" pegmatite from the 500 drift level.

Comments:

(1) Evidence is lacking that the pegmatite intersected on the 500 level is the "New" pegmatite. This pegmatite was supposedly found in drill cores of holes drilled from surface (letter from Field Team of June 22, 1953 and memo from Puffett of June 1, 1953), but inspection of logs does not confirm this. No log exists in Washington of D.D.H.#9. Log of D.D.H. 4S (Narrative Report of May 5, 1953) says "New pegmatite was contacted at 132 feet. Core recovery was so poor that thickness could not be determined. Sludge showed small mica flakes." Not very convincing proof that this is the "New" pegmatite. Logs of 2S and 3S showed only "alteration zones"; hardly conclusive evidence of the "New" pegmatite.

(2) The "New" pegmatite supposedly plunges north, whereas the other bodies in this area plunge south. This is an unlikely situation and should not be accepted unless structural data supports it.

(3) Raising hardly seems the least expensive method of delimiting a pegmatite body, especially when drilling results are incomplete. A raise along this pegmatite certainly resembles development work.

(4) If the applicant wishes to explore the "New" pegmatite, a shaft or other suitable working could be sunk. Because this is not "exploration" under the terms of DMEA, no government money could be expended, however the company could presumably mine in ore without losing money. Diamond drilling with DMEA funds might be considered to delimit the "New" pegmatite, but core recovery to date has been so poor that results would probably be inconclusive.

RECOMMENDATION:

Amendment be denied.

Robert Lawthers

Robert Lawthers

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
JUL 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 1953 Docket No. DMEA ~~2606~~ 2607 Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $28,700.00 Government Participation: 90 % Amount, $25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Diamond-Surface		2,007.00	2,007.00			
Timbering 22 ft	110.00	945.00	1,055.00			
Crosscutting 14 ft.	455.00		455.00			
Drifting 35 1/2 ft.	1,153.75	13,731.25	14,885.00			
Diamond Drilling Ground		3,016.00	3,016.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2,250.00	2,250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,718.75	21,949.25	23,668.00	1718.75	21949.25	23668.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date July 7, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carr Title Secretary
John A. Carr, Jr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1546.88

Signature
(Authorized Certifying Officer)

Date 7/10/53 Vou. No. 819
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 426 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 7/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 7/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 53-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-63.

Defense Minerals Administration
RECEIVED
JUL 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 195 3 Docket No. DMEA Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	1,153.75	35½	14,885.00	453	32.50		
Crosscutting	Foot	455.00	14	455.00	14	32.50		
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ xxx Underground	Foot			3,016.00	754	4.00		
~~Churn~~ xxx Surface	Foot			2,007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	110.00	22	1,055.00	211	5.00		
TOTAL DISTRIBUTED COSTS		1,718.75	71½	21,413.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1,718.75		23,663.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date July 7, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary
John A. Carver, Jr.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

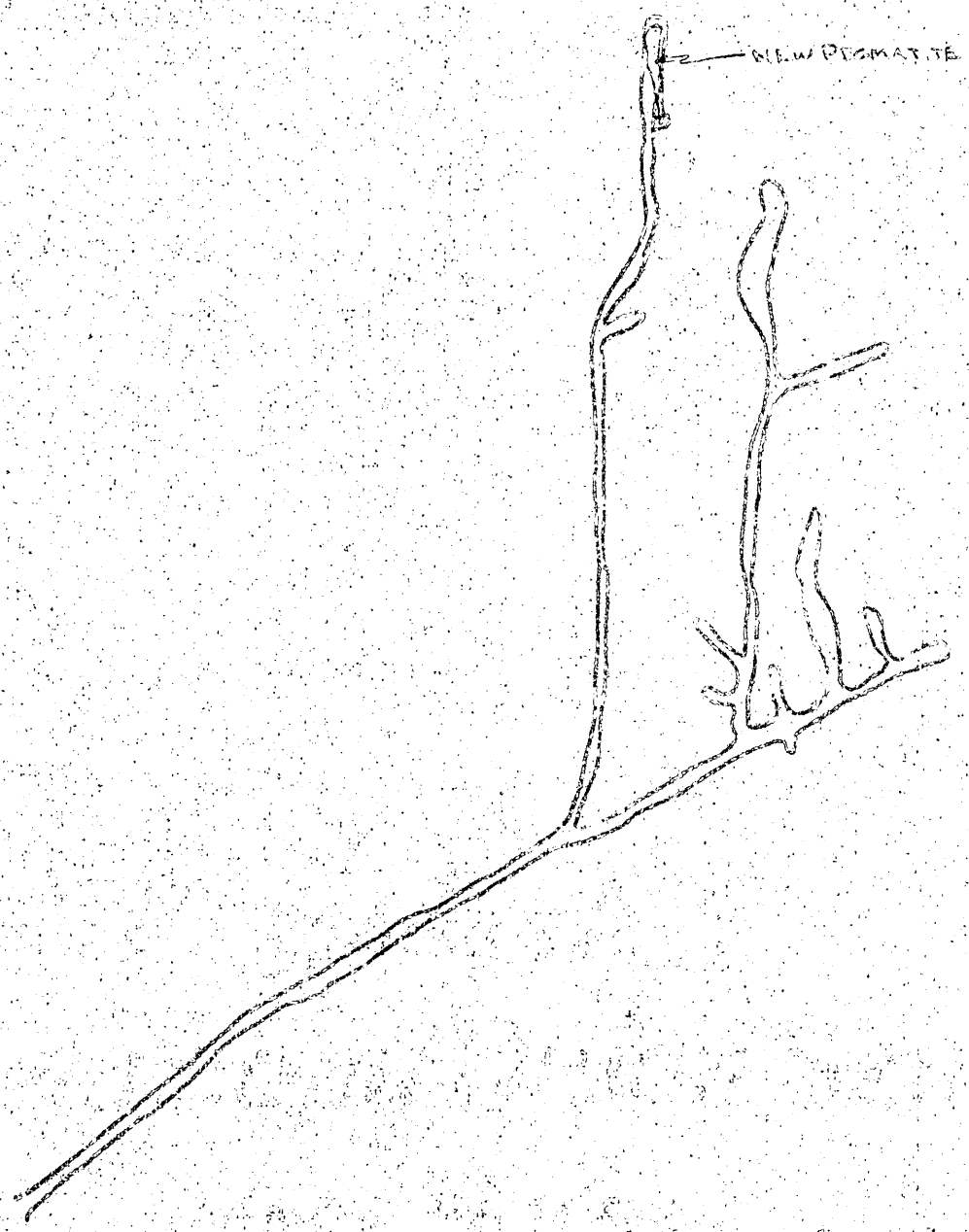
GPO 83-38475

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
July 7, 1953
Contract No. Idm-E426

Drifting was continued along the New Pegmatite to its northern limit. Two crosscuts were made but no strategic mica was encountered. The New Pegmatite at the No. 5 level was 41 feet long and averaged 5 to 7 feet in width. Some mica was found, but it was badly cracked and waved.

DMEA Docket No. 2607
(MKC)



Scale 1" = 100'

IDAHO BERYLLIUM & MICA CORP. MUSCOVITE MINE LATAH COUNTY, IDAHO

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

June 25, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

From a part of your letter of June 15, 1953, we note that you wish to delay action on the Operator's request for additional funds until receipt of the Field Team's report evaluating the work completed under the present project and receipt of the Operator's final report.

We are preparing a memorandum evaluating the results of the DMEA exploration and other recent work on the property and will forward this to you as soon as possible. We believe that on the basis of this information you will be able to arrive at an immediate decision on the new application, one way or another.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM(2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

cac 6-24

June 22, 1953

Air Mail

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. 2607 (Mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Selfridge:

Enclosed is a request with maps and a narrative report as supporting data, submitted by the Idaho Beryllium and Mica Corporation, to amend their present exploration project contract to permit a raise to be driven on the "New" pegmatite from the 500 drift level. Copies of the amendment, subject to your approval, are also herewith submitted.

The extension of the 500 drift level, after completion of a series of diamond drill holes, has been successful in intersecting a pegmatite which is believed to be the downward extension of the "New" pegmatite. On the 500 level, this pegmatite is 40 feet long and a maximum of 9 feet wide. It is marked by a border zone in which a great amount of black tourmaline occurs, very similar in this respect to the border zone of the "New" pegmatite where exposed on the surface. Unfortunately, very little strategic mica of any consequence has been found in this pegmatite on the 500 level. The Operator is of the opinion that this lack of strategic mica may be traced in part to the fact that the albite on the lower level is of the cleavelandite variety. It has been the experience of the Operator that in or near a cleavelandite zone sheet mica is more likely to be soft, yellow-green, and not strategic in quality. Where the albite is not of the cleavelandite variety, sheet mica found at the Muscovite mine is generally of strategic quality. To our knowledge,

this suspected association of strategic mica with the more granular albite, has not been emphasized in Stoll's Professional Paper (except broadly in that according to his description most of the cleavelandite is found in the core where there is little or no strategic mica), and if found to be true, may contribute a useful guide in future exploration in the Avon district.

Unexpended funds remaining in the contract as of June 17, 1953, are as follows:

Drifting, crosscutting	128 ft. @ $32.50/ft.	$ 4,160.00
Timbering	39 ft. @ $ 5.00/ft.	195.00
	Total unexpended funds -	$ 4,355.00

It is the desire of the Operator to spend the remaining funds of the contract in raising on the pegmatite in an effort to reach a downward extension of the strategic mica zone. If they can intersect this zone by a maximum of 50 feet of raising, it will mean that there still remains 100 feet of back above them below the open-pit floor. If this work is successful, further work will be in drifting and crosscutting the pegmatite at the upper elevation until the contract funds are expended or the limits of the pegmatite are reached.

The Field Team is of the opinion that this proposed raise is within the original spirit of the contract. It is hoped, of course, that if the raise is driven, strategic mica will be found with less than 50 feet of raising. Even if more than 50 feet of raising is necessary, the raising still seems justified. The Operator is planning to probe the walls of the raise with long steel in an effort not to miss any strategic sheet mica zone.

If this new pegmatite on the 500 level is the downward extension of the "New" pegmatite on the surface, it means we were mistaken in our original estimate of the plunge of the pegmatite. As can be seen on the plan map, herein enclosed, this new-found pegmatite may be an extension of part of the central pegmatite or may be a separate new pegmatite. Thus the raise is justified to prove just what pegmatite we have found on the 500 level.

We want to emphasize that though this pegmatite appears somewhat restricted in size, more than 500,000 pounds of cobbed mica have been produced from it in a relatively shallow open pit.

If this amendment is approved, it is essential that we be notified in the quickest manner possible. The Operator is of the opinion that the project can be brought to completion within two weeks after the approval of the amendment. Currently on file is another application of the Operators to extend the present contract to permit sinking and drifting to more fully explore diamond drill hole intersections

of the downward extension of the East, West and possibly Central pegmatites. Our information here, based on a letter from your office dated June 15, 1953, is that the application for contract extension will not be processed until the current contract is completed and the Operator's report and final report from the field are received. If these are to be the conditions upon which the application is to be considered, then the current contract should be brought to completion at the earliest date possible to permit the Operator to effectively plan their future exploration at the mine.

By Field Team, Region II, DMEA

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas E Howard

Thomas E. Howard, Acting Member
(U. S. Bureau of Mines)

Enclosures

cc: USBM(2)
Puffett

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Contract No. Idm-E426
June 18, 1953

It is requested that an amendment be made to the existing DMEA contract to allow the remaining footage for drifting, cross-cutting and timbering to be used for raising, drifting and timbering where required. The unit price for raising and timbering will remain the same per foot advance as for drifting and timbering.

This raise is necessary because the mica found in the New Pegmatite on the No. 5 level is not of strategic quality, and it is believed that the clevelandite zone in which this was encountered in the DMEA drift will contain no strategic quality mica. This is confirmed in our experience in surface mining. Through temperature variation or chemical differential, the mica found in the clevelandite zone is pale yellow-green, soft, and badly fractured, good only for scrap. Some books were found that were half rum and half yellow-green. Since mica of strategic quality is found at the surface in the albite-quartz zone, it is proposed to drive a raise to reach this zone. From the appearance of the footwall zone, where the main portion of the open pit mica has been recovered, the albite-quartz zone should be encountered at a slope distance of about fifty feet. This would still leave 100 feet back to the floor of the open pit.

?

Mica from the open pit has averaged between 4,000 and 5,000 lbs. per foot of depth for the portion worked. Nearly 500,000 lbs. of cobbed mica has been recovered to date.

The proposed raise, because of the plunge of the pegmatite to the north, will not be normal to the strike of the pegmatite. It will be inclined at 50°. The plunge, dip, and position of the pegmatite has been established by surface and underground transit surveying and diamond drilling from the surface. The diamond drill hole contacted pegmatite at 50 feet above the No. 5 level, but because of very poor core recovery, (1 1/2" in 20 feet), it could not be determined if there was strategic mica at that point.

TELEPHONE
DEARY, 40

AVON MINING DISTRICT
DEARY, IDAHO

Idaho Beryllium and Mica Corporation

PRODUCERS OF BERYL AND MICA PRODUCTS

P. O. Box 176
Deary, Idaho

June 15, 1953

Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 1, Washington

RE: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract Ida-2426

ATTENTION: Mr. A. E. Weissenborn

Dear Mr. Weissenborn:

We hereby request that our DMEA Exploration Loan be amended to allow us to put an inclined raise, 3 ft. by 6½ ft. inside measurement, to be started from the point shown on the enclosed plan map. This raise will follow the foot wall shown at an approximate angle of 50°. Every ten feet a seven foot steel will be used on all four walls to explore for mica in quantity. The raise will be driven to the 50 ft. point on the incline and if no mica is encountered up to that point, a short drift will be driven to the ends of the pegmatite to explore for a mica zone. The raise will be continued on if no mica is found at or before the 50 ft. point.

Enclosed herewith is a plan map and a section map of the new pegmatite showing the proposed plan as outlined above.

Your approval of this request will be appreciated.

Very truly yours,

Idaho Beryllium & Mica Corporation

Orville J. Sletto
General Manager

O.J.S:elm

Enc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

June 19, 1953

Mr. Orville J. Slette, Manager
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket No. DMEA-2607 (mica)
Muscovite Mine
Latah County, Idaho
Contract Ida-2426

Dear Mr. Slette:

When Mr. Anderson and I were at your property on June 5, Mr. Anderson cut a sample of fluorescent material that showed abnormal radioactivity. Radiometric analysis shows that the sample contains 0.01 percent equivalent uranium. From this it appears that all of the fluorescent material is not radioactive. Needless to say, this material is too low grade to mine. It might be possible, however, to hand sort the material on which torbernite crystals occur in abundance and to stock pile that material.

Mr. Smith said you intended to drive short crosscuts through the pegmatite. When these are driven would you please drop me a line for I should like to have a look at them.

Sincerely yours,

Frank C. Armstrong
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USB M (2)
Armstrong
Puffett

FILE COPY
SURNAME:

Robertson
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

June 16, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Re: Approval of Amendment No. 3 by Nonmetallic Minerals Division

This Division approves Amendment No. 3, dated June 1, 1953, as prepared and executed by A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II.

The duration of the contract is extended from six months to ten months.

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 6/16/53

Copy to: Admr. R. File
Docket File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division Street
Spokane 2, Washington

June 15, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Idaho Beryllium & Mica Corporation, Latah County, Idaho, Contract No. Idm-E426, Docket No. DMEA 2607 (mica)

The subject property was visited Friday, June 5, 1953, accompanied by Frank Armstrong, Geologist, USGS. Mr. Orville J. Slette, General Manager of the corporation and Mr. Albert Smith, engineer, were at the property at the time of the inspection.

The DMEA drift has been extended 137 feet beyond the crosscut which was driven to the east to intersect the pegmatite. Total advance to date under the exploration project contract is 407 feet of drift and 25 feet of crosscut for a total of 432 feet of advance.

An alteration zone was intersected 57 feet back from the present face as shown on the attached sketch. The east wall of the drift in the alteration zone carried considerable amount of green fluorescent material which the Operators thought could possibly be meta-torbernite or autinite. This area was checked with a mineral-lite and Geiger counter and showed some radioactivity but it is believed that a large majority of the green fluorescent material is a silicate with a fluorescent film.

The pegmatite was intersected in the east wall of the drift 23 feet back from the face. The pegmatite carried large amounts of tourmaline and a small amount of non-commercial mica.

Work completed and costs as of June 1, 1953, under the exploration contract are as follows:

422-1/2 ft.	drifting and crosscutting at $32.50/ft.	$13,731.25
754 ft.	diamond drilling (underground) at $4/ft.	3,016.00
446 ft.	diamond drilling (surface) at $4.50/ft.	2,007.00
189 ft.	timbering at $5/ft.	945.00
Initial	rehabilitation and repairs	2,250.00
Total		$21,949.25

Work to be completed and funds remaining:

168 feet of drifting and crosscutting
Funds to be expended $6,750.75

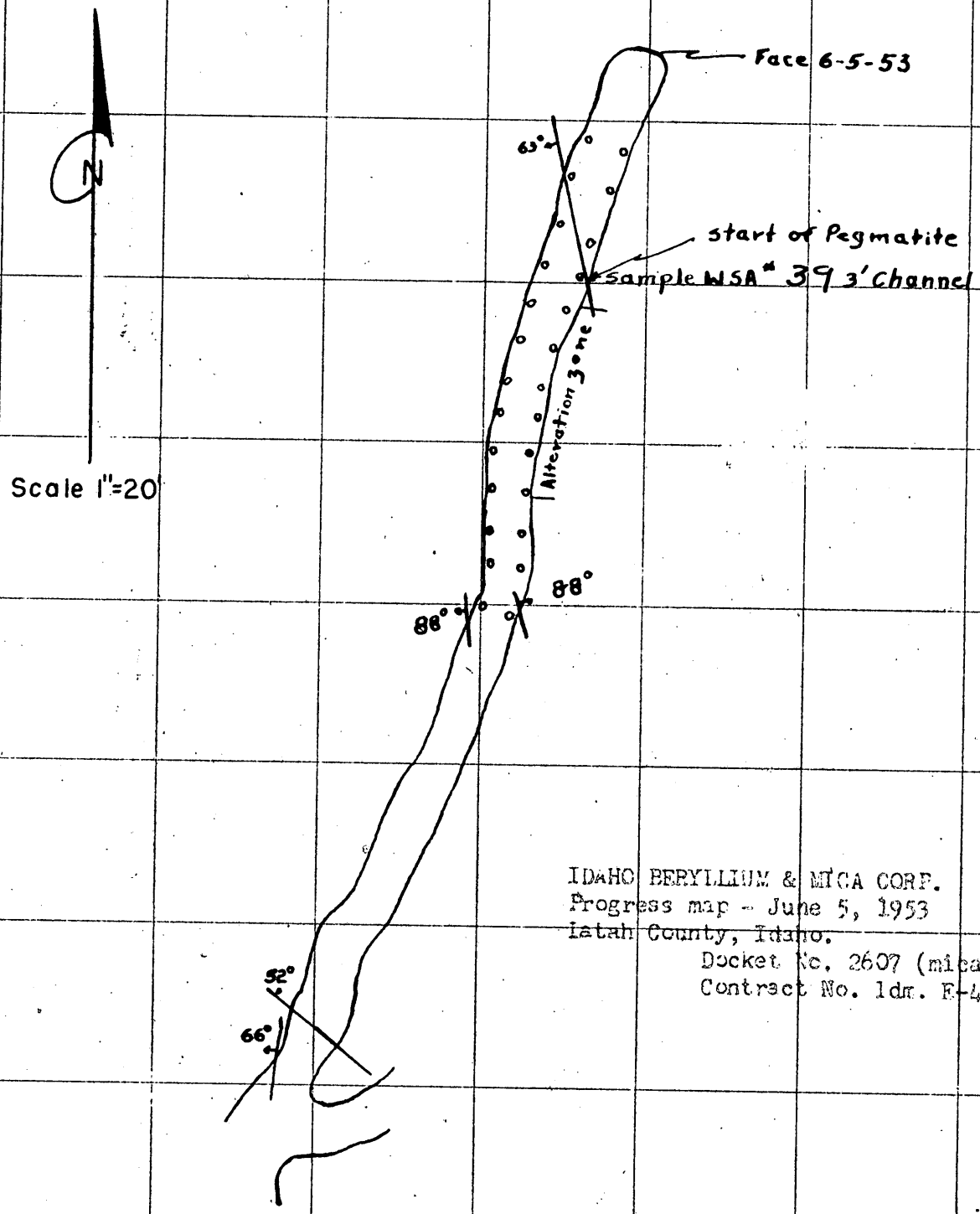
The Operator is running two shifts in the drift with two men per shift. The average advance per shift is 3-1/2 feet and a 17 hole round is drilled using a 3 hole burn cut. Ingersoll Rand tungsten carbide bits are used in drilling with an average footage of 600 feet per bit. The powder consumption has dropped from 6.25 pounds per foot to 5 pounds per foot, according to Mr. Smith.

At the present time the company has five men employed in the open pit and twenty women in the trimming shed at Deary, Idaho. Approximately 50,000 pounds of mica has been shipped to the trimming shed from the pit operations this year.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Washington
USGS - 2
DMEA
M/D
WSA/vf



IDAHO BERYLLIUM & MICA CORP.
Progress map - June 5, 1953
Latah County, Idaho.
Docket No. 2607 (mica)
Contract No. Idm. E-426

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

Houk
Selfridge
Fergusson
Mattendorf

JUN 15 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to your letter of May 29, 1953, transmitting the applicant's request for additional funds for exploration below the No. 5 level.

The present contract which will be "completed within a few weeks" should be brought to completion. The field team report may then evaluate the work completed and comment on the possibilities of a certification of discovery. Some mention should be made of the competency of the drilling contractor, as it appears the core recovery in the critical areas is extremely poor.

From the information on hand in this office it appears that neither the work on the No. 5 level nor the diamond drilling performed from the surface and underground have been successful. Upon receipt of the field team report evaluating the work completed under the present contract and receipt of the Operator's final report on the project and your recommendations as to certification, this office will process the request for additional funds.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B) 6-15-53

Approved:

J. H. Hedges (2/B)
Member, Bureau of Mines

A. R. Kinkel, Jr. (2/B)
Member, Geological Survey

LGHouk:gad 6/10/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

JUN 15 1953

Houk
Ontin
Cokane
Chapman
Selfridge
Schulz
Mathews

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

Reference is made to the subject contract which fixes April 27, 1953, as the completion date.

You are hereby authorized to extend the completion date beyond April 27, 1953, since extra time is necessary to complete the work outlined in the contract. Please execute the amendment and make the usual distribution of the copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

LGHouk:gad 6/10/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

June 12, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2607 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Idaho Beryllium and Mica Corporation
Name of property: Muscovite mine.
Location of property: Latah County, Idaho.
Date of field team report: May 29, 1953.
Authorship of field team report: A. E. Weissenborn and M. E. Volin.
Comments:

This Corporation has been nursing at the Public breast long enough, and should now be able to hold a bottle.

It appears very doubtful if DMEA should do its mining, especially in view of the past drilling, etc.

ACTION SUGGESTED:

Denial of application for extension of contract.

D. M. Larrabee

DOCKET COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

JUN 15 1953

June 9, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 2607X (mica)
Idaho Beryllium and Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 3 to the subject contract, with attached justification.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Attachment

cc: Finance Office w/encl.
USBM (2)
Puffett

RECEIVED
JUN 22 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
~~XXXXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 4, Washington

June 1, 1953

Mr. Orville J. Slette
General Manager
Idaho Beryllium and Mica Corporation
Deary, Idaho

Re: Docket No. DMEA 2607I (Mica)
Muscovite Mine
Latah County, Idaho
Contract Idm-8426

Dear Mr. Slette:

Enclosed please find seven copies of the amendment allowing extension of time on your present contract from 6 months to 10 months. If this meets with your approval, please have all copies signed and return them to this office at the earliest date. Upon receipt of the signed copies of the amendment we will expedite distribution of them, and thus the delay in payment on your May vouchers will be held to a minimum.

Yours very truly,

Willard P. Puffett
For: A. L. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)
DMEA (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~XXXXXXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 4, Washington

June 1, 1953

Memorandum

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2607 (Mica), Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho, Contract Idm-E426

This memorandum is prepared to accompany the transmittal letter of the application of Idaho Beryllium and Mica Corporation for an extension of their present exploration project.

The newly discovered pegmatite at the Muscovite mine has yielded a total of 538,000 pounds of hand-cobbed mica from the open pit as of the last week in May 1953. Current work on the exploration project at the mine is to attempt to intersect this pegmatite at a lower elevation by drifting. Diamond drilling from underground stations failed to intersect mica-bearing portions of the pegmatite but holes drilled from the surface have intersected mica-bearing portions of the pegmatite at an intermediate elevation between the surface and the No. 5 level, approximately 110 feet below the present surface. It should be pointed out that where the pegmatite was intersected in the diamond drill hole, core recovery was very poor due in part to the friable nature of the fine-grained mica and granular cleavlandite that, in part, surrounds the sheet-mica portion of the pegmatite. Currently, an exploration drift is following a tourmaline-bearing alteration zone which is on a projected extension of this pegmatite on the No. 5 level. As a result of information gained to date from the drilling and underground work, it is believed that the new pegmatite plunges very steeply to the north. Thus, it is expected that within two weeks the underground work will have intersected the new pegmatite underground.

Diamond drill intersections of the east and west pegmatites at elevations below the No. 5 level have shown some sheet mica. Here again the core recovery has been disappointingly low in the pegmatite area. Because of this low percentage of core recovery, little can be inferred regarding the true character of the pegmatite at the elevation where intersected by the drill. These intersections may represent an extension of known pegmatites to that depth, or they may

represent only small lenses of mica-bearing pegmatite material in a general zone approximating the extension of the east and west pegmatites. It is doubtful that further diamond drilling from stations on the No. 5 level could more fully indicate the true nature of the pegmatite at the lower elevation.

The Operators are asking for more funds to allow a winze and drifting to explore the pegmatite at the lower elevation. My opinion is that the diamond drill has shown sheet mica to exist at the lower elevation, but further work in the form of man-sized openings should be justified to complete the exploration. Parallel situations can be found in existing contracts where underground work is authorized to further explore diamond drill intersections of vein intersections, where the true nature of the vein can be rather definitely established by a diamond drill hole. In the case of pegmatites, which are difficult to project in any direction with any degree of certainty, added work in the form of man-sized openings to more fully explore drill intersections seems to me to be more than justified as reasonable exploration. Certainly the production record from the pegmatites at the Muscovite, which places this property among the larger producers of strategic mica in the country, does not detract from the promising possibilities which may be realized by the extension of the current contract.

Distribution:
DMEA (Orig. & 3)
USBM (2)
Docket
Puffett

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Wash.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1953 Docket No. DMEA _____ Contract No. Idm-E426

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

Contract Amount, $ 28,700.00 Government Participation: 90% Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drilling Diamond-Surface		2007.00	2007.00			
Bulldozing						
Crosscutting Timbering 53 ft.	265.00	680.00	945.00			
Drifting 120 1/2 ft.	3916.25	9815.00	13731.25			
Diamond Drilling Underground		3016.00	3016.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4181.25	17,768.00	21,949.25	4181.25	17768.00	21949.25

I certify that the above bill is correct and just and that payment therefor has not been received.

Date June 3, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 3763.13

Signature _____ (Authorized Certifying Officer)

Date 6/15/53 Vou. No. 785

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 426 in accordance with the terms of the contract.

Signature W. Anderson Title M. Eng. Date 6/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ T. E. Howard Title M. Eng. Date 6/10/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 195 3 Docket No. DMEA _____ Contract No. Ida-R126

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	3916.25	120½	13731.25	422½	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ Underground	Foot			3016.00	754	4.00		
~~Chum~~ Surface	Foot			2007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	265.00	53	945.00	189	5.00		
TOTAL DISTRIBUTED COSTS		4181.25		19,699.25				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		4181.25		21,949.25				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date June 3, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

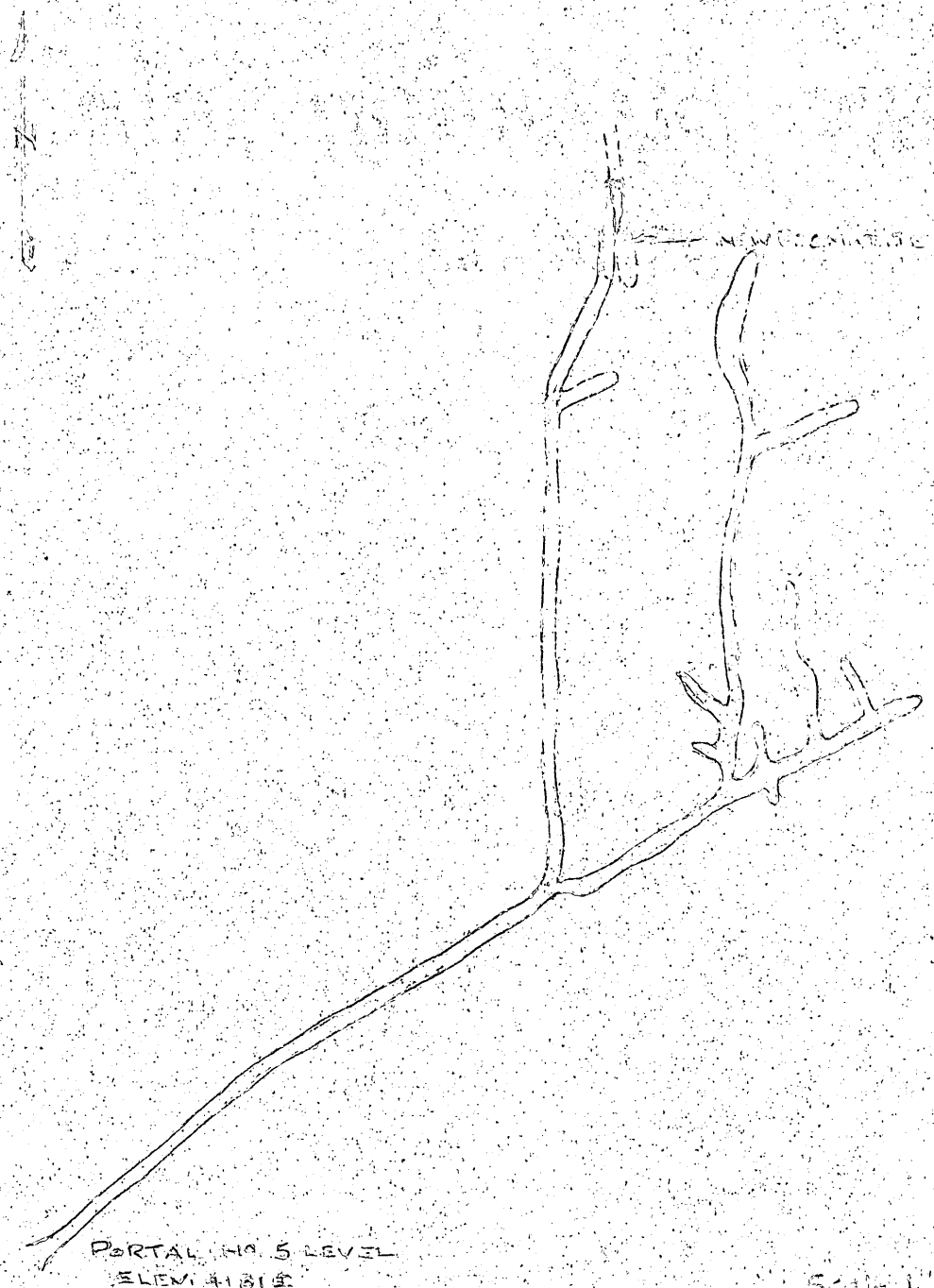
NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Contract No. Idm-E426

June 3, 1953

The DMEA drift was extended 69 feet at a bearing of N 24° E to investigate the downward extension indicated by surface diamond drilling. The new Pegmatite was contacted a few feet north of this point and has been drifted on over a length of fifty feet. Some mica books of good size were encountered but none of strategic grade have been found to date. The pegmatite has ranged from 18 inches to 2 feet and will be followed along its strike. Crosscuts will be made, as soon as the length has been established, to investigate possible adjoining bodies on the footwall side. The footwall side of the alteration zone has not yet been encountered.

D.M.E.A. Docket No. 2601
(Mica)



Scale 1" = 100'

IDAHO BERYLLIUM & MICA CORP. MUSCOVITE MINE - LATAH COUNTY, IDAHO

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

May 29, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-~~2605~~ 2607 (Mica)
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Selfridge:

Enclosed please find ~~four~~ 3 copies of a letter from the Idaho Beryllium and Mica Corporation with supporting data, including diamond drill logs of holes drilled under DMEA contract, maps of existing and proposed workings, and cost estimates of proposed work.

This letter is a request for an extension of the current exploration contract at the Muscovite mine to further explore the mine below the No. 5 level. Completed diamond drilling to date has proven the existence of pegmatite below the No. 5 level; this pegmatite may represent downward extensions of either or both the East and West Pegmatite, which have been previously mined from the No. 5 level to the surface.

The applicants request extension of their present contract to allow for sinking a winze and drifting off the bottom of the winze to explore for the East and West pegmatites at an elevation 100 feet beneath the No. 5 level. Total work applied for includes 120 feet of winze and 500 feet of crosscutting and drifting. The applicant estimates $42,609.40 as the cost of the proposed work.

The current contract project being undertaken at the Muscovite mine is expected to be completed within a few weeks. At the present time, it is not certain how successful this project may be.

Pegmatite material has been recovered in diamond drill cores, but recovery in the pegmatite areas has been very poor and further exploration by drifting or sinking will be necessary to ascertain the true character of the pegmatite through which the diamond drill has penetrated.

There is some doubt in our minds as to whether the proposed work can be classed as exploration or whether it should be considered more as development especially as the pegmatite has already been tested by drilling. It was proposed to the applicant that they further test the pegmatite with their own funds; however, they state that their company is not able to finance such a program at this time without the aid of government funds.

No attempt has been made to make a detailed analysis of the estimated costs for the proposed program which the applicant has submitted. Certain items seem excessive and certainly the total estimated costs for the proposed work should be more than sufficient to complete the work.

Inasmuch as doubt exists in our thinking as to whether this work can be justly considered as exploration, we are submitting this application to the Operating Committee for their consideration but without specific recommendations. If the need for strategic mica remains acute and if the applicant's proposed work can be considered as justifiable exploration, the Field Team would favor extension of the existing contract.

By Field Team

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosures

TELEPHONE
DEARY, 40

AVON MINING DISTRICT
DEARY, IDAHO

Idaho Beryllium and Mica Corporation

PRODUCERS OF BERYL AND MICA PRODUCTS

P. O. Box 176
Deary, Idaho

May 7, 1953

Defense Minerals Exploration Administration
Washington 25, D. C.

ATTENTION: Mr. A. E. Weissenborn
Chief Field Team Number 2
Spokane, Washington

Dear Mr. Weissenborn:

Reference is made to the exploration loan application of Idaho Beryllium & Mica Corporation, docket number DMEA 2607, and Exploration Project Contract Idm-E426 dated October 27, 1952, and amendments 1 and 2 thereto, the latest amendment being dated March 27, 1953 between the U. S. and Idaho Beryllium & Mica Corporation.

Under the authority granted by the amendment number 2 to the Exploration Project Contract, additional diamond drilling has been accomplished under the supervision of the field team engineers, and as you have already been advised such diamond drilling shows indications of the pegmatite at the points noted in the attached plan map.

The work accomplished under this amendment has been discussed with your office, and the engineering and geological personnel who have worked on the project are in agreement that the only way satisfactorily to consummate the original exploration project is to explore further for extensions of the East and West pegmatites by sinking a shaft to 100 feet below the No. 5 level from a station in the main tunnel at the No. 5 level, and drifting and crosscutting from the new "No. 6" level to intersect the pegmatites at or near the diamond drill intersection points.

You will recall that our application for an exploration loan originally contemplated a winze along the ore body of the East pegmatite to a point 120 feet below the No. 5 level, and drifting and crosscutting to explore the nature and extent of the ore bodies at such a new level. You will further recall that these plans were modified after conference with your representatives so that instead the exploration drift was authorized together with additional diamond drill testing.

It is our desire at this time formally to apply either for amendment of the existing contract or the authorization of a new contract to merge with the existing contract to authorize the construction of the shaft and tunnels referred to above. Since we do not know exactly the form this application should take, we would like this letter to be considered as the application and have attached to it as a part of it newly prepared summaries containing the information required by forms MF-100 and MF-103.

In addition to these enclosures we have attached in the necessary five copies, the following documents:

Plan Map
Sectional Views

We are sure that you realize with us that all of the exploration work so far accomplished will be meaningless unless the project is carried to completion as applied for in this application. As has been pointed out numerous times, there is only one sure way to determine what the economic value of a pegmatite ore body is, and that is to run a tunnel directly to it.

Very truly yours,

Idaho Beryllium & Mica Corporation

Lee J. Mason
President

LJM:elm

Enc.

RECEIVED
MAY 1 1953

APPENDAGE NO. 1, EXTENSION OF EXISTING DMEA LOAN

IDAHO BERYLLIUM & MICA CORP.

SHAFT--120 ft. at $160.37 per foot	$19,244.40
DRIFTING & CROSSCUTTING--500 ft. @ $42.83 per foot	21,415.00
TIMBERING for crosscutting & drifting--300 ft. @6.50	1,950.00
TOTAL	$42,609.40

Breakdown of costs shown above attached hereto as exhibits.

Estimated length of time to complete sinking shaft is two and one half months, and additional two weeks to complete skip pockets.

Estimated length of time to complete drifting and crosscutting is four and one half months with additional time if excess timbering is required.

EXHIBIT A TO APPENDAGE NO. 1

IDAHO BERYLLIUM & MICA CORPORATION

The following is the breakdown of costs per foot for shaft sinking shown on Appendage No. 1:

Labor	$ 80.00
Timber, framing, hangers, and guides	14.50
Powder and primers	6.00
Sump Pump and Piping	.96
Hoist	2.08
Cable	.50
Ladders	.25
Shovels	.15
Bits	.31
Steel	.24
Sinker	.34
Air Compressor	1.08
Power	3.00
Supervision and Engineering	9.50
Insurance, FOAB, Unemployment Taxes	7.95
Accounting	2.15
Blower Line	.68
Power line, lights, sockets, blasting circuit, etc.	.25
Water Line	.53
Compressor air line	.91
Tramming from collar	8.00
Skip Pockets	6.25
Skip	.24
Repairs, maintainence, miscellaneous supplies, etc.	14.50
Total Costs per Foot	$160.37

The above costs have been compiled for a size four by eight exploration shaft. The costs on new equipment have been prorated out on the normal depreciation period for the estimated time shown to complete this exploration work.

EXHIBIT B TO APPENDAGE NO. 1

IDAHO BERYLLIUM & MICA CORPORATION

The following is the breakdown of costs per foot for drifting and cross-cutting shown on Appendage No. 1:

Labor	13.00
Powder and primers	3.74
Ties, track, fish plates, etc.	1.60
Waterline	.53
Compressor air line	.91
Hoist	.59
Blower Line	.68
Shovels	.05
Power line, lights, sockets, blasting line, etc.	.25
Steel	.17
Bits	.22
Jack Leg	.25
Air Compressor	.45
Tramming at collar	5.00
Hoisting	5.00
Supervision and Engineering	3.33
Accounting	1.17
Insurance, FOAB, Unemployment Taxes	2.05
Repairs, maintainence, miscellaneous supplies, etc.	3.84
Total Costs per Foot	$42.83

Costs per foot of timbering $6.50.

Hole No. 6
Elev. At Collar: 4182
Dip: -33°
Date Begun: April 7, 1953
Location: 126 Feet Up OMEA Drift.

Depth: 130 Feet
Bearing: Due East
Core Size: BX
Date Completed: April 10, 1953

FOOTAGE From	FOOTAGE To	CORE RECOVERY	FORMATION At	FORMATION	THICKNESS OF FORMATION	REMARKS
0	1.5	1.5		Schist		NX
1.5	5.0	3.0		Schist		
5.0	10.0	5.0		Schist		Small Bands of Garnet
10.0	19.0	8.0		Schist		
19.0	22.5	3.5		Schist		
22.5	32.5	8.0		Schist		
			26.5		2 Inches	Small Feldspar Pods
32.5	43.0	8.0		Schist		Garnet Bands
43.0	53.0	9.0		Schist		
53.0	60.0	5.0		Schist		
60.0	70.0	8.5		Schist		
			64.0		6 Feet	Tourmaline Scattered
			66.5			Small Feldspar Pods
70.0	76.7	5.0		Schist		Scattered Tourmaline, Feldspar Pods
			74.0		4 Inches	Garnet, Quartz
76.7	86.0	7.0		Schist		Scattered Tourmaline
86.0	92.0	2.5		Schist		
			90.5	Pegmatite	1 Inch	
92.0	96.0	3.0		Schist		Tourmaline
			92.0	Pegmatite	3 Inches	Small Beryl Crystals
			96.0	Pegmatite		
96.0	105.0	5.5		Schist		Tourmaline
105.0	108.0	2.5		Schist		Tourmaline
108.0	114.0	2.0		Schist		
			108.5	Mica Peg.	7 Inches	Sheet
114.0	120.0	3.0		Schist		Tourmaline
120.0	125.0	5.0		Schist		Tourmaline

Hole No. 6

FOOTAGE From	To	CORE RECOVERY	At	FORMATION	THICKNESS OF FORMATION	REMARKS
125.0	130.0	5.0		Schist		Tourmaline
			127.0	Mica Pegmatite	17 Inches	Sheet

Hole No. 5U
Elev. at Collar: 41[illegible]
Dip: -30°
Date Begun: March 26, 1953

Depth: 92 Feet
Bearing: N 68° E
Core Size: BX
Date Finished: March 28, 1953

FOOTAGE From	FOOTAGE To	RECOVERY OF CORE	FORMATION At	FORMATION	THICKNESS OF FORMATION	REMARKS
1	3	1.5 Feet		Schist		
3	8	2 Feet		Schist		
			5'	Quartz	2 Inches	
8	16.5			Schist		
			10	Quartz, Garnet	6 Inches	
			16	Quartz	1 Inch	
16.5	26	1.5 Feet		Schist		
			18	Quartz	1/4 Inch	
26	37	6 Feet		Schist		
			37	Tourmaline	2 Feet	
37	39.5	2.3 Feet		Schist		
39.5	46	3 Feet		Schist		
			41	Quartz, Feldspar	1 Inch	
46	51.6	1 Foot		Schist		
51.6	62	3 Feet		Schist		
			51	Tourmaline	All Core	Heavy
62	67	2 Feet		Schist		
67	71	2.5 Feet		Schist		
			67	Quartz	1 Inch	Small Mica Book Throughout
			69	Quartz	2 Inches	
			71	Small Mica, Quartz, Garnet	1 Inch	
71	75.6	4.5 Feet		Schist		
			73	Quartz		Small Mica Books
75.6	79.7	2.5 Feet	76	Tourmaline		Heavy
79.7	84	.7 Feet	79	Pegmatite	½ Foot-2 Feet	One Book of Mica Cut (Flat) Imperfect Core, Other Mica Poor
			81	Tourmaline	2 Feet	Heavy
84	92	2.5 Feet		Schist		

Hole No 5U

Hole No. 7
Elev. At Collar: 4182
Dip: -30°
Date Begun: April 9, 1953
Location: 126 Feet Up DMEA Drift

Depth: 140 feet
Bearing: N 79° E
Core Size: BX
Date Completed: April 11, 1953

FOOTAGE From	To	RECOVERY OF CORE	At	FORMATION	THICKNESS OF FORMATION	REMARKS
0	37	32.5		Schist		Occasional Garnet Bands
37.0	47.0	10.0		Schist		
			45.0		1.5 Inches	Garnet, Quartz
47.0	67.0	19.0		Schist		
			61.0		Cont.	Tourmaline
67.0	77.0	9.0		Schist	Cont.	Tourmaline
77.0	87.0	9.5		Schist	Cont.	Tourmaline
			77.0	Pegmatite	3 Inches	Mica (Small)
87.0	97.0			Schist	Cont.	Tourmaline
			95.0		1 Inch	Feldspar, Quartz
97.0	107.0			Schist	Cont.	Tourmaline
107.0	117.0			Schist	Cont.	Tourmaline
			107.5	Mica Peg.	12 Inches	Sheet
117.0	126.0			Schist	Cont.	Tourmaline
126.0	130.0			Pegmatite	Cont.	Sheet Mica
130.0	140.0			Schist		
			130.0	Pegmatite	2 Feet	Sheet Mica
			139.0	Quartz	6 Inches	

Hole No 7

Hole No: 2U
Elev. At Collar: 4183
Dip: -45°
Date Begun: March 23, 1953
Location of Hole: End of DMEA Drift

Depth: 110 Feet
Bearing: N 76° E
Core Size: BX
Date Finished: March 25, 1953

FOOTAGE From	FOOTAGE To	RECOVERY OF CORE	At	FORMATION	THICKNESS OF FORMATION	REMARKS
1	33			Schist		
33	39	5 Feet	33	Garnet, Quartz Pyrite	4 Inches	
			38	Tourmaline	3 Inches	Heavy
39	40.5	.5 Feet		Schist		
40.5	44	1 Foot		Schist		
44	49	1.5 Feet		Schist		
49	59	6.5 Feet		Schist		
			54	Tourmaline	5 Feet	Heavy
59	63	1 Foot		Schist		
			59-63	Tourmaline	All Core	Light, Scattered
63	73	5 Feet	63-73	Tourmaline	All Core	Light, Scattered
73	83	1 Foot	73-83	Tourmaline	All Core	Light, Scattered
83	90	9 Feet		Schist		
			90	Pegmatite	1 Inch-3 Inches	No Mica
90	99.3	2.5 Feet	92	Pegmatite	?	One Book Cut Through, Sheet Mica, No Core on Peg.
			93	Quartz	1 Inch	
99.3	104	3.5 Feet		Schist		
104	110	2.5 Feet		Schist		
			109	Quartz, Garnet Pyrite	2 Inches	

Hole 2U

Hole No. 4
Elev. At Collar: 4182
Dip: -50°
Date Begun: April 3, 1953
Location: 126 feet Up DMEA Drift

Depth: 140 Feet
Bearing: Due East
Core Size: BX
Date Finished: April 7, 1953

FOOTAGE From	To	Core Obtained	At	FORMATION	THICKNESS	REMARKS
0	3 1/2	2.75		Schist		MX
3 1/2	7 1/2	3.5		Schist		
			4.5	Garnet	¼ Inch	
7 1/2	13	6.0		Schist		Small Bands of Garnet, Small Foliation Folds
13	20	7.0		Schist		
			19	Garnet	2 Inches	
20	28	6.0		Schist		Breakage Across Bedding
28	37	8.0		Schist		
37	50.6	12.0		Schist		
			50.8	Quartz	½ Inch	
50.6	54	2.5		Schist		
54.0	64.6	10.0		Schist		Quartz & Garnet Bands
64.6	75.3	10.5		Schist		Scattered Tourmaline
			74			Small pods Quartz, Feldspar
			83			
75	81	5.5		Schist		Scattered Tourmaline
			79.5	Pegmatite	1 Inch	
81	91	6.0		Schist		Scattered Tourmaline
91	96	3.5		Schist		Scattered Tourmaline
			95.5	Pegmatite	1 Inch	
			95.7	Pegmatite	1 Inch	
96	106	8.0		Schist		Scattered Tourmaline
			97	Quartz	½ Inch	
			99	Pegmatite	½ Inch	
106	116	2.0		Schist		Scattered Tourmaline
116	126	5.0		Schist		Scattered Tourmaline
			119	Quartz	½ Inch	
126	130.5	4.0		Schist		Scattered Tourmaline
			126.3	Quartz, Garnet	3 Inches	
			126.5	Pegmatite	2 Inches	
			127.0	Quartz	4.5 Inches	
			128.0	Quartz, Garnet	5 Inches	
			129.7	Mica Peg.	14 Inches	East Pegmatite
130.5	140.5			Schist		

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

May 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

Mr. Orville J. Slette, General Manager
Idaho Beryllium and Mica Corporation
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Slette:

This is to confirm in writing the conclusion reached at our conference in Spokane, on May 5, concerning future work on the current exploration project at the Muscovite Mine. As a result of evidence obtained from the recently completed surface diamond drill holes, the "New" pegmatite is indicated to persist at least to an elevation slightly higher than the DMEA drift level. There is a sufficiently strong probability that the pegmatite will continue to depth to the DMEA drift level. Therefore, permission is hereby granted to extend the DMEA drift northward to intersect the projected downward extension of the "New" pegmatite, providing the total length of the DMEA drift will not exceed the total footage allowed in the contract. No amendment of the contract will be required as this work is already provided for in the contract itself.

Yours very truly,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (3)
USBM (2)
Finance Officer (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division Street
Spokane 2, Washington

May 4, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Idaho Beryllium & Mica Corporation, Latah County, Idaho, Contract Idm-E426, Docket No. DMEA 2607 (Mica)

The subject property was visited Wednesday, April 22, 1953. Mr. Albert Smith, engineer for the company was present at the property during the visit.

Diamond drilling from the underground stations in the DMEA crosscut has been discontinued and Vivian Brothers, contractors for the diamond drilling, are drilling from the surface to intersect the "New Pegmatite". A sketch is attached showing location of holes drilled under the exploration contract.

A total of 1200 feet of diamond drilling is allowed under the contract and of this total 851-1/2 feet has been completed.

Data of holes drilled since Willard Puffett, Geologist, U.S.G.S, made his inspection of March 3, 1953 is as follows:

Holes drilled from DMEA Crosscut

Hole	Bearing	Angle	Coordinates	Depth	
DDH #4	E	-50 degrees	N. 10303 E. 10285	140'	Completed
DDH #6	E	-33 degrees	"	135'	Completed
DDH #7	N. 79 E.	-30 degrees	"	140'	Completed
DDH #8	E		N. 10400 E. 10290	80'	Completed
		Surface Holes			
DDH #9	N. 80 E.	-50 degrees	N. 10464 E. 10260	50'	Drilling

Collar elevation of DDH #9 is 4340.

Holes 6, 7, and 8 which were drilled underground were authorized by the Field Team members from U.S.G.S.

The cores on these holes have not been logged as yet and this information will be included in the next report.

At the present time the only work in progress under the exploration contract is the diamond drilling. On company account the Operator has ten men working at the property with four of the men working in the new raise from the five level and six men in the surface pit.

Present production at the property is approximately 1000 pounds per day of mica from the open pit with a recovery of approximately 4% in the trimming shed at Deary, Idaho where twelve women are employed. Of the 4% recovery, 35% is good stained, 5% heavy stained, and 60% stained. The average value of the mica sheet produced is approximately $12.00 per pound.

W. S. Anderson

W. S. Anderson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
WSA/vf

1000 # / 40 # / $12 / $480. per day gross

Form MF-104 (Rev.)
(April 1952)

W

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
MAY 15 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1953 Docket No. DMEA 2607 Contract No. Ica-2426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $28,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond, Surface 246 Ft.	2007.00		2007.00			
Bulldozing						
~~Crosscutting~~ Timboring		680.00	680.00			
Drifting		9815.00	9815.00			
Drilling Diamond Underground 246 Ft.	1796.00	1220.00	3016.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3803.00	13,965.00	17,768.00	3803.00	13,965.00	17,768.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date May 5, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

*Where voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or, "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 3422.70

Signature (Authorized Certifying Officer)

Date 5/7/53 Vou. No. 751

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Engr Date 5/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr Date 5/5/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 5 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA _____ Contract No. Idm-E426
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot			9915.00	302	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core Underground	Foot	1706.00	449	3016.00	754	4.00		
Surface	Foot	2007.00	446	2007.00	446	4.50		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot			680.00	136	5.00		
TOTAL DISTRIBUTED COSTS		3803.00		15,518.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		3803.00		17,768.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date May 5, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

REMARKS:

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Idaho Beryllium & Mica Corporation
Idm E-426
May 5, 1953

Hole No. 3U 23-78, 55 Feet, Dip: plus 45° Bearing S 76° W. Hole No. 3U was drilled to determine if the New Pegmatite flattened in its downward extension. No contact was made.

Hole No. 4U, Depth 140.5, Dip: -50°, Bearing: Due East. Hole No. 4U was to explore for the downward extention of the East and West Pegmatites below No. 5 level. The East Pegmatite was contacted at 129.7 feet and had a width of 14 inches. Sheet mica was found in the pegmatite core.

Hole No. 6U, Depth 130 feet, Dip: -33°, Bearing: Due East. Hole No. 6U was drilled to see if there was a greater width of pegmatite at a shallower depth than Hole No. 4. The West Pegmatite was contacted at 108.5 feet and had a width of 7 inches. Sheet mica was recovered in the core. The East Pegmatite was contacted at 127.0 feet and had a width of 17 inches. Sheet mica was recovered in the core.

Hole No. 7U, Depth 140 feet, Dip: -30°, Bearing: N 79° E. Hole No. 7U was drilled to find the extension of the East and West Pegmatites. The West Pegmatite was contacted at 107.5 feet and had a width of 12 inches. Sheet mica was recovered in the core. The East Pegmatite was contacted at 126 feet and had a width of 5 feet. Sheet mica was recovered in the core from the hanging wall and foot wall.

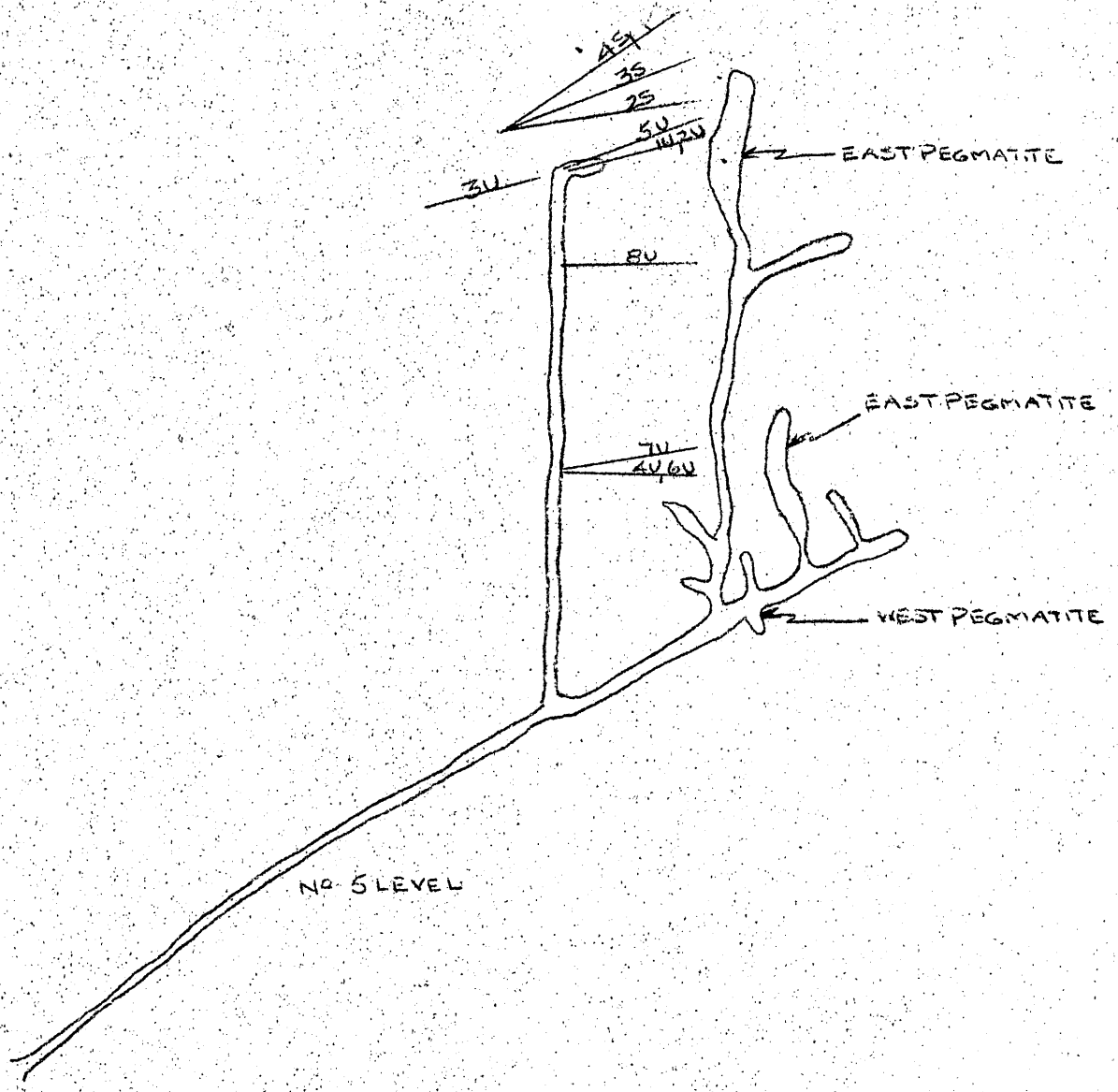
Hole No. 8U, Depth 81 feet, Dip: 0°, Bearing: Due East. Hole No. 8U was to determine if the New Pegmatite raked to the south. No pegmatite was contacted.

Hole No. 2S, Depth 148 feet, Dip: -50°, Bearing: N 80° E. Hole No. 2S was to explore for the downward extension of the New Pegmatite. An alteration zone was encountered at 118 feet through 136.5 feet. No pegmatite was recovered in the core. Core recovery in the alteration zone was 11.5 feet.

Hole No. 3S, Depth 149 feet, Dip: -50°, Bearing N 68° E. Hole No. 3S was drilled to determine if the New Pegmatite had a rake to the North. An alteration zone was contacted at 117 feet through 139 feet. No pegmatite was recovered. Core recovery in the alteration zone was 7.5 feet.

Hole No. 4S, Depth 149 feet, Dip: -50°, Bearing: N 55° E. Hole No. 4S was drilled to determine the rake of the New Pegmatite. New Pegmatite was contacted at 132 feet. Core recovery was so poor that thickness could not be determined. Sludge showed small mica flakes.

D.M.E.A. Docket No. 2607
(Mica)



Scale 1" = 100'

IDAHO BERYLLIUM AND MICA CORP. – MUSCOVITE MINE LATAH COUNTY, IDAHO

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

April 30, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2607 - Mica
Contract No. Idm-E426
Idaho Beryllium & Mica Company
Dreary, Idaho
Muscovite Mine
Latah County, Idaho

Re: An approval of Amendment No. 2.

This Division approves Amendment No. 2 submitted by Mr. A. E. Weissenborn, Executive Officer, Region II, and in which provisions are made for some diamond drilling from stations on the No. 5 level drift.

However, it should be noted that varying the unit rate between $4.50 per foot for surface drilling and $4.00 per foot for underground drilling will vary the total cost amount if the total footage remains fixed at 1,200 feet.

Jasper T. Robertson
Jasper T. Robertson
Nonmetallic Minerals Division

RECEIVED
MAY 6 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

April 21, 1953

APR 27 1953

Mr. Orville J. Slette, General Manager
Idaho Beryllium and Mica Corporation
Deary, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Slette:

Your letter dated April 20 requesting approval for drilling two diamond drill holes from surface locations was received today. In our telephone conversation on April 20, I said that inasmuch as the underground drill had failed to find the downward projection of the "New" pegmatite, drilling from the surface to explore for the "New" pegmatite would be permitted. I had hoped that your letter requesting formal approval for these two holes would contain precise information concerning the elevation, location by mine co-ordinates, bearing and declination of the holes, plus expected location of the intersection with the pegmatite. I feel assured that in all probability the location of the holes will be satisfactory and consequently, to save time, approval is given for the drilling of them, but please submit the above information to this office at the earliest possible date. The most satisfactory way of presenting this information is to have Mr. Smith, your engineer, plot the location of the holes on a plan map and then submit a copy of the map to us.

Hereafter, when requesting approval for more drilling or other exploration work, please submit with the request, specific information concerning the location, length, etc., of the work. If this is done, misunderstandings between the Field Team and the Operator as to just what work is acceptable under terms of the contract will be held to a minimum.

Yours very truly

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2) w/cy of incoming ltr
USBM (2) Do.
Puffett Do.

WWP:sz

C O P Y

Idaho Beryllium and Mica Corporation
Producers of Beryl and Mica Products

P. O. Box 176
Deary, Idaho

April 20, 1953

Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

ATTENTION: A. E. Weissenborn, Executive Officer

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Weissenborn:

It is hereby formally requested that we be authorized to drill two diamond drill holes from the surface to explore for the new pegmatite above the No. 5 level as per amendment to the above mentioned contract.

This request is in confirmation of our telephone conversation of April 20, 1953.

Very truly yours,

Idaho Beryllium & Mica Corporation

(s) Orville J. Slette

Orville J. Slette
General Manager

OJS:elm

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

April 7, 1953

Memorandum

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Routine Inspection, Docket No. DMEA-2607 (Mica), Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho, Contract No. Idm-E426.

A routine examination was made of the DMEA work at the Muscovite Mine on Friday, April 3, 1953. Mr. Albert Smith, Company Engineer, was at the property during the inspection.

Since the last inspection on March 3, the crosscut to the east had been extended 11 feet. Total drifting and crosscutting now completed equals 301 feet; a total of 600 feet of crosscutting and drifting is allowed under terms of the contract. Drifting had been suspended pending results of the diamond drilling which was in progress at the time of the inspection.

Diamond drilling from underground stations was started on March 20, 1953. Amendment No. 2 to the contract, dated March 13, permitted the change in site of drill stations from the surface to the underground stations. As of April 3, four holes had been completed and the fifth hole had been drilled to a depth of 20 feet. Vivian Brothers have contracted to do the drilling, and all drilling is being done with BX size core bit. Up to the date of the inspection, recovered core was being stored in deep boxes, the layers of core being separated by heavy wrapping paper. At the suggestion of the examiner, regular core boxes were built and Mr. Smith stated that all core from subsequent drilling would be stored in such type boxes. Because of the method of storing the core, it was difficult to obtain a precise log of the core but I did log two of the holes and obtained log data on one of the other holes from Mr. Smith, who logs the core concurrent with the drilling.

Diamond drill hole No. 1U was drilled 80 feet horizontally on a bearing N. 76° E. from the face of the DMEA tunnel at approximate mine coordinates of 10,560N-10,309E. The entire hole was in quartz-mica schist. An occasional very narrow stringer of quartz concordant with the schistosity was intersected. A few narrow bands of fine-grained pink garnets with some associated quartz and pyrite occur in the core.

None of these features have any apparent significance at present as they have been noted at frequent intervals with no regular pattern of occurrence in the DMEA drift and crosscut. A zone in which abundant black tourmaline crystals occur, ranging in length from $\frac{1}{2}$ to $1\frac{1}{2}$ inches, was intersected between 54 and 68 feet. The hole was ended in finely-foliated schist. Total measured core recovered was 42.6 feet which represents 53.3 percent recovery. The hole was started March 20 and completed on March 21.

Diamond Drill Hole No. 2U was drilled 110 feet at minus 45 degrees on a bearing of N. 76° E. from a station 20 feet back from the tunnel face at approximate mine coordinates of 10,542N-10,290E. A few very narrow stringers of quartz and narrow bands of fine-grained pink garnet were intersected. Between 37 and 39 feet, a few tourmaline crystals were in the core. A zone in which abundant tourmaline occurs was intersected between 54 and 68 feet. Another tourmaline zone was found between 85 and 92 feet. In this particular zone core recovery was very poor. A few thin sheets of muscovite, at least as large in cross section as the diameter of the core barrel, were intersected at approximately 92 feet. Some quartz and feldspar were recovered at 90 feet but none was found beyond the location of the muscovite sheets. The muscovite that was recovered is of fair grade and this intersection probably represents the downward extension of the "East" pegmatite, one of the targets of the drilling. Beyond the muscovite sheets, only finely-foliated schist was recovered. Total measured recovered core was 58.6 feet which represents 53.3 percent recovery. The hole was started on March 23 and completed on March 25.

In an effort to determine if the sheet mica represents a continuous pegmatite, diamond drill hole No. 5U was drilled for 92 feet at minus 30 degrees on a bearing of N. 68° E. from the face of the tunnel at approximately the same mine coordinates as drill hole No. 1U. Hole No. 5U was collared near the sill of the tunnel. The location of this hole was planned to intersect the pegmatite at a position where it was believed to be thicker. As in the other holes, occasional stringers of quartz and narrow bands of garnet with associated quartz and pyrite were intersected. A six-inch band of quartz was cut at 10 feet. Between 37 and 39 feet, sparse tourmaline was found. From 51 to 62 feet a zone in which many tourmaline crystals occur was intersected. Between 67 and 68 feet, the core consisted of coarse muscovite, the crystals averaging about 3/8-inch wide. Considerable dark quartz is found with this muscovite. Between 76 and 83 feet a zone of tourmaline with some feldspar was cut. According to Mr. Smith, good sheet mica was intersected someplace between 79 and 81 feet. This mica had been removed from the core box, but examples of it in Smith's office showed it to be of very good grade. The last nine feet of the hole were in schist. Total measured recovered core was 37.1 feet, representing 40.2 percent recovery. The hole was started March 26 and completed March 28.

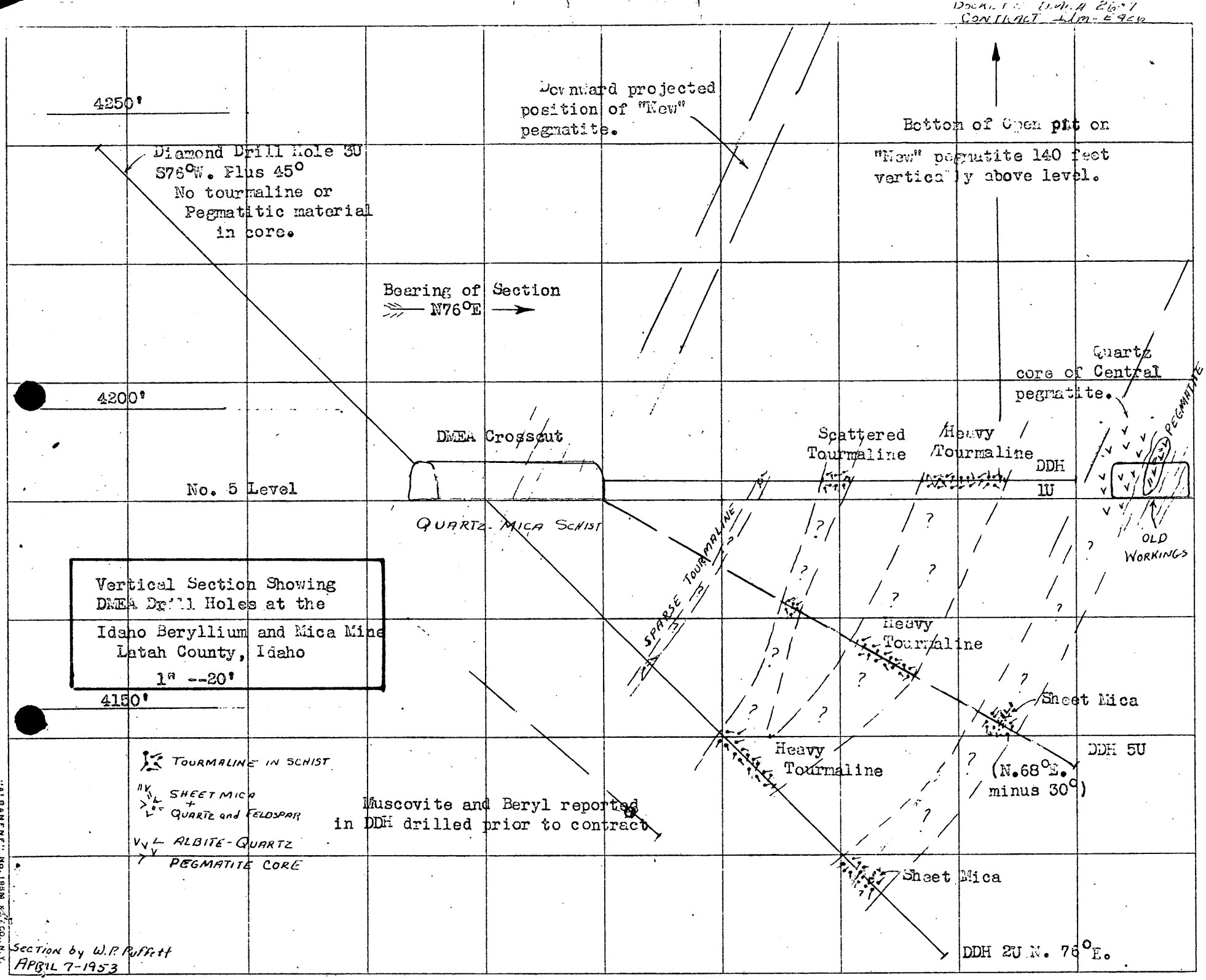
Diamond Drill Hole No. 3U was drilled 75 feet at plus 45 degrees on a bearing of S. 76° W. from a station at the turn in the DMEA tunnel at approximate mine coordinates of 10,448N-10,278E. This hole was logged by Smith and he reported that no tourmaline or pegmatitic material was found. The hole was started March 30 and completed April 2. This hole will be logged on the next inspection trip if the core is stored in regular core boxes so as to facilitate logging.

Accompanying this report is a map showing a vertical section on bearing N. 76° E. on which the diamond drill holes are plotted with areas of tourmaline outlined. The data from drill hole No. 5U is projected normal to the section, or parallel to the average strike of the foliation of the schist. It can be seen that the two intersections of sheet mica may be projections of the same pegmatite, probably a downward extension of either the east or central pegmatite. No good correlation of data showing downward extension of the "New" pegmatite can be determined. The tourmaline areas are somewhat aligned parallel to the schistosity and could probably represent channelways for passage of boron-bearing solutions which may in turn represent horizontal extensions of pegmatitic solutions (?) which have not been confined to the more normal quartz-feldspar-muscovite rocks found in the pegmatites. If this is true, actual pegmatite may exist either to the south or north of the section on alignment with the tourmaline areas.

An inspection of the data in Stoll's Professional Paper #229, shows some evidence for a southwestward rake or plunge of the pegmatites at the mine. If this rake should hold true for the "New" pegmatite, it means that the crosscut and drill holes have explored too far to the north. Consequently, additional drill holes have been planned to explore the area approximately 40 feet south of the section. If this drilling is unsuccessful, surface holes are to be drilled to intersect the "New" pegmatite at an intermediate elevation between the surface and the No. 5 level.

Enclosure

Distribution:
- DMEA (Orig. & 3)
- USBM (2)
- Docket
- Puffett



Vertical Section Showing DMEA Drill Holes at the Idaho Beryllium and Mica Mine Latah County, Idaho

1" = 20'

FILE COPY
SURNAME:

140

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

AEKane
Rutino
Hedges
Hefferson

Mr. A. K. Weissenborn
Executive Officer
DMEA Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

APR 1 1953

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Weissenborn:

J.C. 4/1/53

In view of the statements contained in your letter of March 11, addressed to Mr. George Selfridge, as Chairman of the Operating Committee, Amendment No. 1 of the subject exploration project contract, modifying Article 2 thereof, is hereby approved.

Sincerely yours,

C. O. Mittendorf / fw

Administrator

AEKane/em 3/30/53

Copy to: Mails and Files
Adm. R. File
C. O. Mittendorf
Operating Comm.
J. H. Hedges
L. P. Thayer
L. G. Houk
J. L. Hofflund
A. E. Kane
chron.
pending

04 (Rev.)
1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

th of March, 1953 Docket No. DMEA 2607 Contract No. Idm-E1,26

rator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

ontract Amount, $28,700.00 Government Participation: 90 % Amount, $25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling Diamond 305 ft.	1220.00	None	1220.00			
Bulldozing						
Crosscutting						
Drifting 14 ft.	455.00	9360.00	9815.00			
Timbering		680.00	680.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1675.00	12,290.00	13,965.00	1675.00	12,290.00	13,965.00

I certify that the above bill is correct and just and that payment therefor has not been received.

te April 6, 1953 *Payee Idaho Beryllium & Mica Corporation

er John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

ument is signed in the name of a company or corporation, the name of the person writing y or corporate name, as well as the capacity in which he signs, must appear. For example: "John y, per John Smith, Secretary," or "Treasurer," as the case may be.

E.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully or representation to any department or agency of the United States as to any matter within its

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1507.50

Signature
(Authorized Certifying Officer)

Date 4/10/53 Vou. No. 724
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-426 in accordance with the terms of the contract.

Signature /s/ Webster S Anderson Title Mining Engr Date 4/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 4/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 63-38476

MUr-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA _____ Contract No. Ida-1126
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT: Units	AUTHORIZED BY CONTRACT: Unit Costs
Drifting	Foot	455.00	14	9815.00	302	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Foot	1220.00	305	1220.00	305	4.00		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot			680.00	136	5.00		
TOTAL DISTRIBUTED COSTS		1675.00	319	11,715.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1675.00		13,965.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date April 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary
John A. Carver, Jr.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

IDAHO BERYLLIUM & MICA CORPORATION

NARRATIVE REPORT

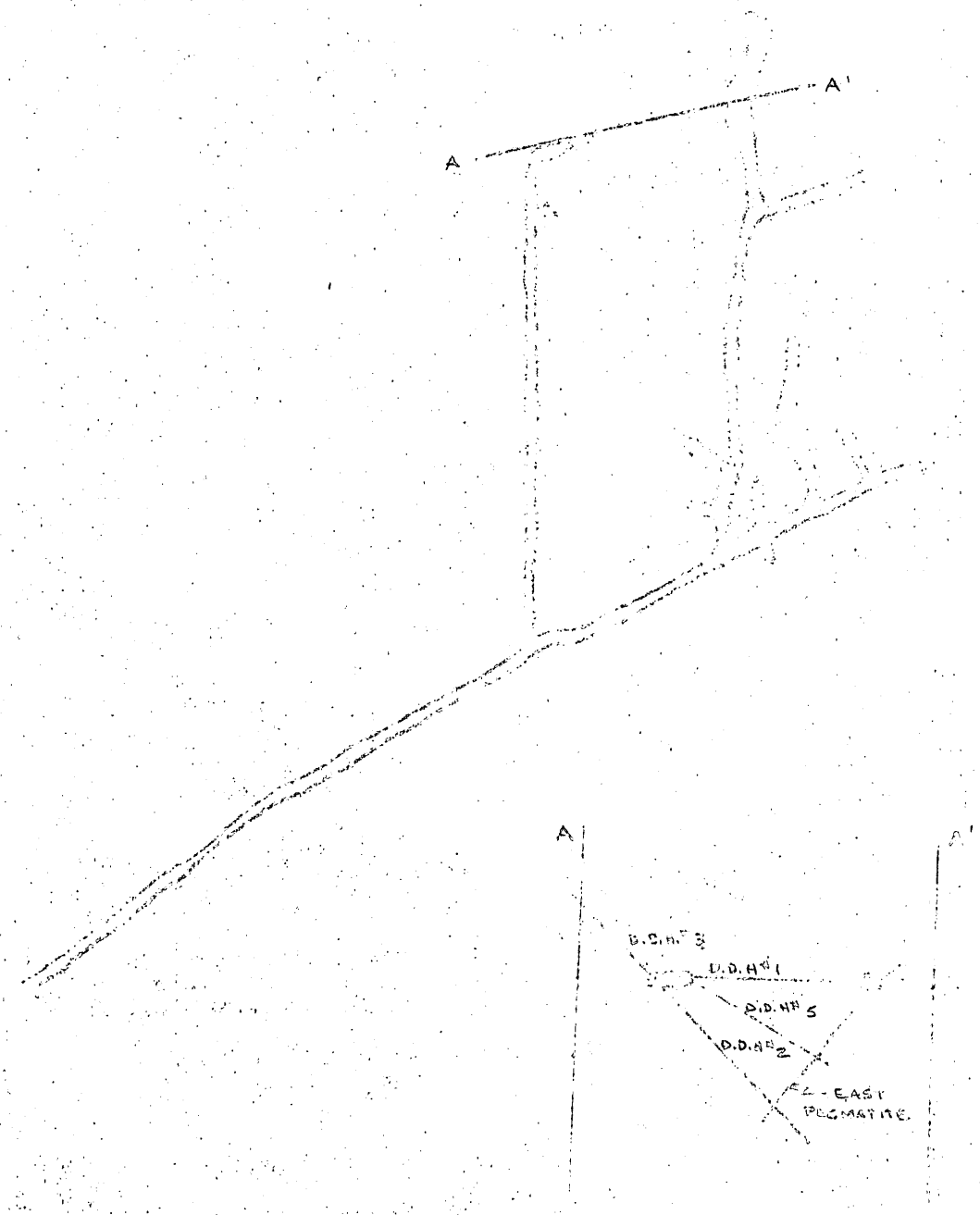
Month of March, 1953
Contract No. Idm-E426

The Crosscut was extended 14 feet to determine if the new pegmatite was to the east of the main drift.

Two diamond drill holes were then put out to explore to the east and to the west of the drift. Hole number 1U had a bearing of N76°E and a dip of 0°. It extended 80 feet to the east. No pegmatite was encountered. Hole number 3U had a bearing of S76°W, a dip of plus 45° and was 23 feet in depth, and was not completed by 3-31-53. No pegmatite was encountered.

Two holes were put down under the old number 3 stope to explore the downward extention of the East Pegmatite. Contact was made at 92 feet in hole number 2U bearing N76°E, dip-45° depth 110 feet. Hole number 5U bearing N68°E, dip-30°, depth 92 feet was put down under the East Pegmatite and contact was made at 79 feet.

D.M.E.A. DOCKET No. [illegible]
(MICA)



Docket Copy

OEX one
5/13/53
Butler

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

March 27, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 30 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 2 to the subject contract, with attached justification.

A copy of the amendment has been mailed to the Operator, a copy is being retained for our files, and by a carbon copy of this letter we are distributing the Finance Officer's copy.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Attachment

cc: Finance Officer w/encl.
USBM (2)
Puffett

Case 3/30

RECEIVED
MAY 6 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

March 27, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 30 1953

Mr. John A. Carver, Jr.
Idaho Beryllium & Mica Corporation
Continental Bank Building
Boise, Idaho

Re: Docket No. DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Carver:

Enclosed is your copy of Amendment No. 2 to your Exploration Project Contract Idm-E426.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: DMEA (2)
USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
~~XXXXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 4 Washington

March 27, 1953

[illegible]
Defense Minerals Administration

Mr. George [illegible] Selfridge Chairman
Operating Committee (M[illegible])
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMI-2[illegible] (Mica)
Idaho Beryllium & Mica Corporation
Muscovite Mine
Latah County, Idaho
Contract Ida-M[illegible]

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 2 to the subject contract with attached justification.

A copy of the amendment has been mailed to the Operator, a copy is being retained for our files, and by a carbon copy of this letter we are distributing the Finance Officer's copy.

Sincerely yours

[illegible] E. Weissenborn
Executive Officer, DM[illegible]
Field Team, Region II

Attachment

cc: Finance Officer w/encl.
USBM (2)
Puffett

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

March 23, 1953

Memorandum

To: Mr. J. L. Hofflund

From: Lawrence G. Houk

Subject: Amendment No. 1 - approval

Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corp.
Latah County, Idaho
Contract No. Idm-E426

Recommended action:

This Division recommends that the Amendment No. 1, as signed and executed by the Executive Officer of Region II, without authority, be approved by this Administration.

LGHouk:gad 3/20/53

Copy to: Admr. R. File
Docket File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
[illegible] Street
[illegible], Washington

[illegible] 26, 1955

[illegible]
[illegible]
[illegible]

MAR 28 1955

2607

r. [illegible] [illegible], Jr.
ngineer
[illegible] Exploration Corporation
[illegible] Box 176
[illegible], Idaho

[illegible] Bert:

[illegible] your visit to the [illegible] Friday, March 23, we [illegible] stated that [illegible] your [illegible] expedition as with the fourth and [illegible] confirmation of the [illegible] drill hole which had intersected a [illegible] zone below the [illegible] level. Before a section can be made to accurately [illegible] the proposed [illegible], it is necessary that we have complete information on the drill hole to [illegible] an independent calculation as to [illegible] of the intersection.

[illegible] you forward to this office at your earliest convenience the complete log of the drill hole [illegible] to [illegible] the information [illegible] notified. Final processing of the agreement will be delayed until receipt of this information.

Very truly yours,

[illegible] [illegible]
for [illegible] [illegible]
Executive Officer, [illegible]
[illegible] Team, Section [illegible]

cc: [illegible]
[illegible]
[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

March 16, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 3 1953

Memorandum

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

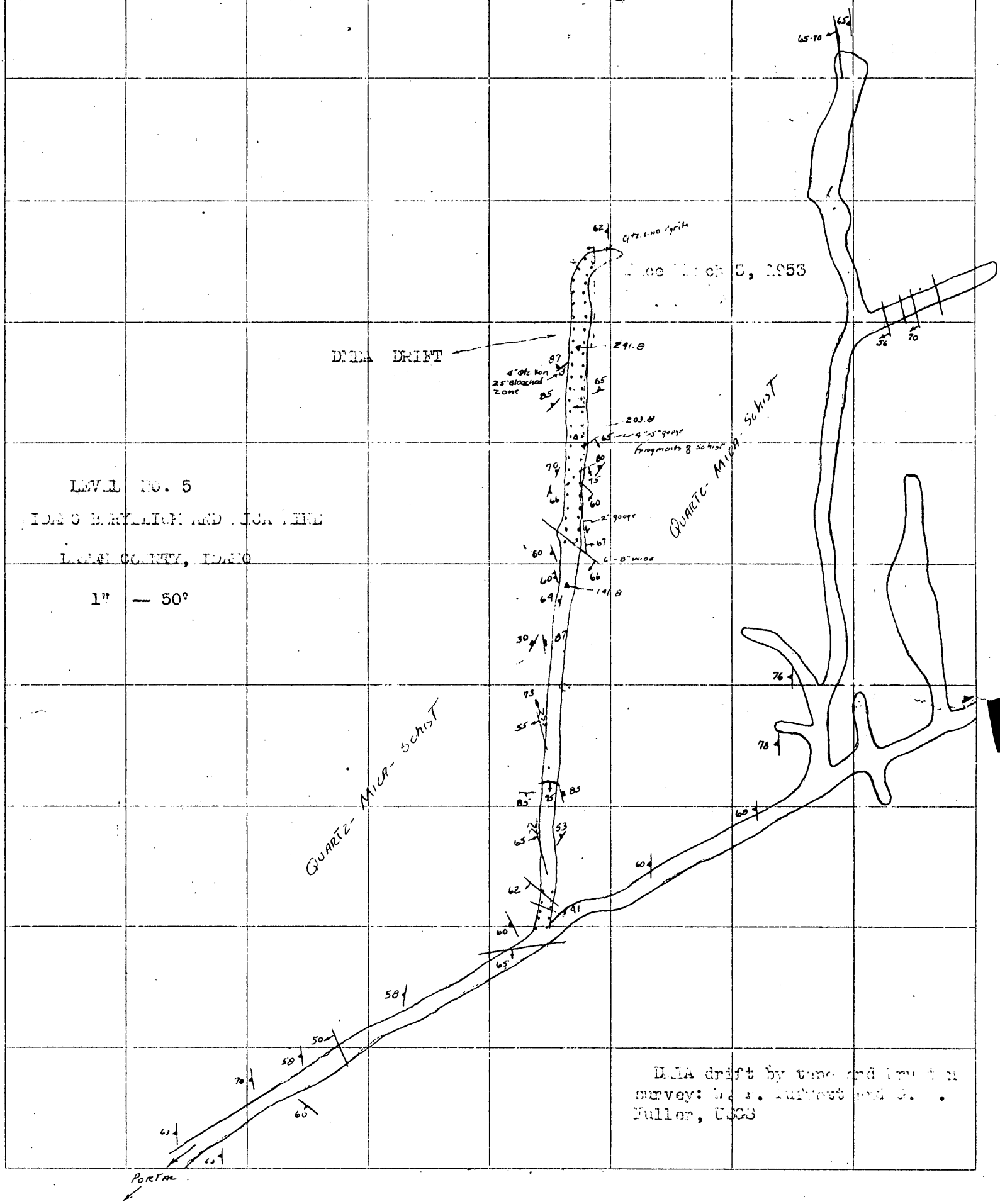
Subject: Docket No. DMEA-2607 (Mica), Routine inspection of progress at Idaho Beryllium and Mica Mine, Latah County, Idaho, Contact Idm-E426.

A routine inspection of the Muscovite Mine of Idaho Beryllium and Mica was made in company with G. W. Fuller, U. S. Geological Survey, and W. S. Anderson, U. S. Bureau of Mines on Tuesday, March 3, 1953. Albert Smith, engineer for the Operators, accompanied us on the inspection. A tape and compass survey was made of the new workings. A map showing detail of the DMEA work in relation to other underground workings on Level No. 5 is submitted with this report.

The DMEA drift was driven slightly east of north for 276 feet, at which point a crosscut to the east was made to intersect the pegmatite indicated by diamond drilling previous to initiation of contract work. This crosscut has been advanced 18 feet and there was no indication that a pegmatite was being approached. According to Smith, the wall rock surrounding the pegmatite contains considerable tourmaline, and none had been exposed in the crosscut. A narrow quartz vein with some associated pyrite occurs on the north wall of the crosscut but seems of little consequence as regarding presence of pegmatitic material.

According to Smith, the crosscut was to be advanced one more round and if no more promising evidence of pegmatite was found, short diamond drill holes were to be drilled to search for the pegmatite both on and above the level. This drilling will necessitate an amendment which the Operators stated they would formally request should it be found necessary. The whole situation will be reviewed before a decision is made.

Attachment
Distribution:
DMEA - Orig. & 3
USBM (2)
Docket
Puffett



LEVEL NO. 5

IDAHO BERYLLIUM AND ALUMINUM

LEMHI COUNTY, IDAHO

1" — 50'

DLEA drift by tape and transit survey: L. R. Kulhavy and J. . Fuller, USGS

RECEIVED
MAR 18 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

March 11, 1953

Mr. George Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 17 1953

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corp.
Latah County, Idaho
Contract No. Idm-E426

Dear Mr. Selfridge:

This is in reply to your letter of March 2 concerning Amendment 1 to the subject contract. Before signing the contract, the Operator stated to me that he objected to the provisions of Article 6 of the contract which provides that the production from all of the property described in Article 2 of Annex 1 would be subject to payment of royalty to the Government in the event of a discovery. He pointed out that mining was then actively in progress from an open pit on the property from an ore body in which the Government had no part in discovering, and that even the old dumps on the property would be subject to DMEA royalty under a broad interpretation of Articles 2 and 6. After some discussion, the Operator stated that in the event of a certification of discovery, he would be willing to pay royalty on any ore extracted through the No. 5 tunnel, but that he saw no reason why he should obligate himself to pay a royalty on ore already discovered and currently being mined.

It did seem that the Operator had a point as it was hard for me to understand the basis for claiming royalty on ore already discovered before the exploration started, unless it would be benefited by the exploration which did not seem to be the case in this instance. As I was leaving almost immediately for Washington, I suggested to the Operator, perhaps wrongly, that he sign the contract, that I would take it with me and discuss this matter with the appropriate persons in Washington,--and that if we could not reach an agreement that would be satisfactory to the Operator, we would rescind the contract before any work had been done. After some discussion of the matter with Mr. Houk and Mr. Johnson, then Chairman of the Operating Committee, it was agreed that the Operator

did have a point and that the repayment should be limited so as not to include ore which he was currently mining from the surface. Mr. Houk and I drew up a draft of an amendment which provided that royalty would be levied on all ore extracted through No. 5 tunnel as well as all ore produced from below a horizontal plane drawn at the bottom of the No. 4 level. This latter provision was added so as to protect the Government and preclude the possibility that after exploring the ore body through the No. 5 tunnel, the Operator might mine it from some other surface opening and thus avoid paying its royalty. This amendment was then further discussed with Mr. Hofflund and was redrafted into more precise legal language in his office. It was my impression, and I believe that it was Mr. Houk's, that I was to make this amendment upon my return to Spokane; but evidently Mr. Hofflund was not aware of this. After my return to Spokane, the amendment was again discussed with the Operator, a minor correction was made pertaining to the altitude of the No. 4 level (this was discussed, I believe, at least twice on the phone with Mr. Houk), and the amendment was signed by the Operator and by myself as Executive Officer. I had honestly felt that since the amendment had been discussed so thoroughly with everyone concerned that it was understood that I would sign it, and that since no objection had been made, assumed I had the authority to sign such an amendment. I regret that Mr. Hofflund misunderstood the circumstances for I certainly had no intention of exceeding my authority. In fact, had I thought that I would not be authorized to sign this, I would have arranged to have the Administrator sign the necessary amendment so that I could take back the signed copy with me for the signature of the Operator.

I trust that the required amendment can be prepared for the Administrator's signature if this is necessary to make the amendment legal. I believe that, although it apparently is not within my delegated authority to sign such an amendment, the amendment itself is fair enough. Mr. Johnson agreed with me that there was nothing intrinsically wrong with the amendment and Mr. Hofflund himself had posed no objections on this ground when he helped us draft the language of the amendment. I trust, therefore, that an appropriate amendment signed by the Administrator can be substituted for Amendment 1. I think that the justification might be that the original contract could be interpreted so as to assess royalties on ore that was not intended to be included as subject to royalty.

Sincerely yours

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

Dmea 2607

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 6 1953

March 2, 1953

Idaho Beryllium & Mica Corporation
P. O. Box 176
Deary, Idaho

Subject: Percentage royalty on net proceeds for repayment of Government exploration contributions on the Idaho Beryllium & Mica property, Latah County, Idaho.

Gentlemen:

We have been advised that your property has produced certain tonnage of mica-bearing material by way of the No. 5 level which was rehabilitated under DMEA contract. If that mica was mined below the plane designated in Amendment No. 1, and shown on a longitudinal section, a copy of which is attached to the amendment, it will be subject to repayment to the Government.

We would appreciate your advising us of the area from which this mica was mined. We would also appreciate the address of the concern purchasing your processed mica so that we can inform them to make the necessary royalty deduction on mica which had been benefited by the DMEA contract. In the event you are mining both underground and from your open pit, we would suggest that you keep the two products separated so that you will not have to pay royalty on mica which has not been benefited by the DMEA contract.

Sincerely yours,

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Puffett

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. MAR 2 1953

FEJohnson/bih 2/20/53
cc to: Docket
Admr. Reading File
Region II
Operating Committee
Messrs. Hedges R-4604
Thayer GSA R-4234
Hofflund - Chambers - Houk - Johnson

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA-2607 (Mica)
Idaho Beryllium & Mica Corporation
Contract No. Ida-E426

Dear Mr. Weissenborn:

Reference is made to your letter of December 8, 1952 transmitting the original and two copies of Amendment No. 1 to the subject contract and to your discussion with Mr. Frank E. Johnson concerning the amendment.

As you were advised, the amendment is not within your authority to execute as fixed by delegation order 2684, and there is no evidence in our files to show consideration or benefit to the Government for agreeing to such an amendment. In this connection there is enclosed a copy of the Chief Counsel's memorandum to the Administrator of December 31, 1952.

In your discussion with Mr. Johnson, it was brought out that apparently there was a misunderstanding with the Operator as to what production would be subject to royalty payments in case of Certification of Discovery or Development, and that the Operator executed the contract under the impression the matter could be rectified by an amendment to the contract excluding production from the open pit operations. It was Mr. Johnson's understanding that you would forward a letter reciting these conditions and furnishing information to justify amending the contract.

In order that we will have justification to amend the contract, it is suggested that you forward, as soon as possible, a letter along the lines discussed with Mr. Johnson and as indicated in the foregoing paragraph. Upon receipt of such a letter the DMEA Legal Division, if the facts justify it, will draft the necessary amendment for execution by the Administrator and the Operator.

Enclosure (1)

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:

J. H. Hedges
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1083.
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1953 Docket No. DMEA 2[illegible]7 Contract No. Idm-E-126
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P. O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 107 Feet	3477.50	5882.50	9360.00	3477.50	5882.50	9360.00
Timbering 106 Feet	530.00	150.00	680.00	530.00	150.00	680.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		2250.00	2250.00		2250.00	2250.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4007.50	8282.50	12,290.00	4007.50	8282.50	12290.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date March 4, 1953 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver Jr. Title Secretary

John A. Carver, Jr. Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
3606.75
$ 3606.75

Signature [illegible]
(Authorized Certifying Officer)

Date 3/9/53 Vou. No. 685
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 3/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 3/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-30476

Form MF-504A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 195 3 Docket No. DMEA _____ Contract No. Idm-E426

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P. O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Foot	3477.50	107	9360.00	288	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Foot	530.00	106	680.00	136	5.00		
TOTAL DISTRIBUTED COSTS		4,007.50	213	10,040.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,250.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		4,007.50		12,290.00				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date March 4, 1953 Operator Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr. Secretary

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

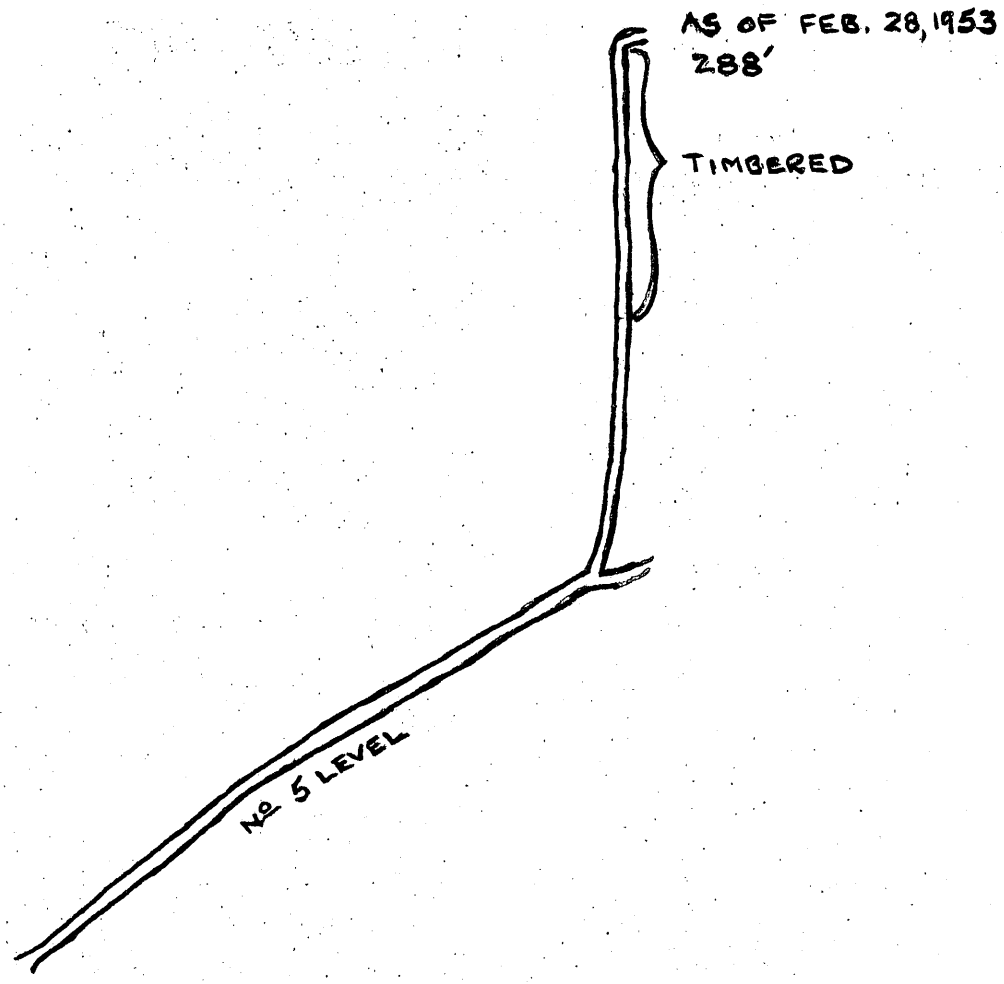
NARRATIVE REPORT

Month of February 1953

Contract No. Idm-E126

The drift has been extended to the 275 foot point and a crosscut to the East has been started. Faulting was encountered beyond the 160 foot point requiring timber to the 275 foot point where the crosscut was started to intersect the vein. No indications of the pegmatite have been found to date.

U.M.E.A. Docket No. 2607
(Mica)



UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 North Division St.
Spokane 2, Washington

February 3, 1953

MEMORANDUM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1953

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Idaho Beryllium and Mica Corp., Latah County, Idaho, Contract Idm-E426, Docket No. DMEA 2607 (mica)

The subject property was visited January 30, 1953. Mr. Hainier, superintendent, and Mr. Smith, engineer, were at the property at the time of my visit.

The face of the crosscut has been advanced to USBM 200 plus 179' for an advance of 117' since the last inspection of January 12, 1953. Total advance to date under the exploration contract has been 175'. The crosscut is being driven 5' x 7' in the clear at a bearing of N. 2° E.

MP #1 was set in a plug in the back at USBM 200 plus 145'. A USBM marker will be placed on this plug on the next visit for a permanent measuring point.

A fault area was intersected 15' back from the present face and will require timber to the face and probably beyond. The Operator stated that labor and materials for timbering averaged $6.75/foot while the contract only allowed him $5.00/foot. The matter was discussed with Mr. Hainier and Mr. Smith and it was recommended, due to the fact that there will probably not be much timber required in the crosscut, that they not ask for an amendment to the contract, which they were considering to cover the additional cost of timbering. Both men agreed to go ahead with the timbering at the price of $5.00/foot.

The operations are proceeding on a two shift basis with a 4' round being pulled each shift. The Operator believes that in the next week the advance per shift will drop to 3' because the mucking and tramming is all hand labor and the tramming distance (600' from the present face) has slowed down operations. The tramming is as efficient as possible with hand

labor, for when one car is mucked full, another one is moved to the face and filled while the first one is being taken to the dump. There is a switch where the crosscut takes off from the No. 5 level and one car is shunted past the crosscut on the No. 5 level to allow the loaded car to pass.

An average of 6.25 # of 45% Gelex #2 powder is used per foot of advance which is considerably under the 15# per foot required in most operations in this region. The ground, which is blocky and highly fractured, breaks very easily and the operators believe that they might be able to cut down the powder requirements per foot even more but they are a little hesitant to experiment because of the good results they obtain from using the 6.25# per foot.

The crosscut is being driven under a labor contract at $13.00/foot but operations have not been carried far enough along to calculate the overall costs per foot. The initial timbering required at the start of the contract plus the delay caused by the caving of the ground if distributed over the footage driven so far would not give a representative picture of what the final cost per foot would be.

The raise which the Operators are running under company account has been advanced 64.5', plus 69°, on a bearing of N. 66° E. The raise is being driven at a point 509' in from the portal on the No. 5 level. (See sketch attached.)

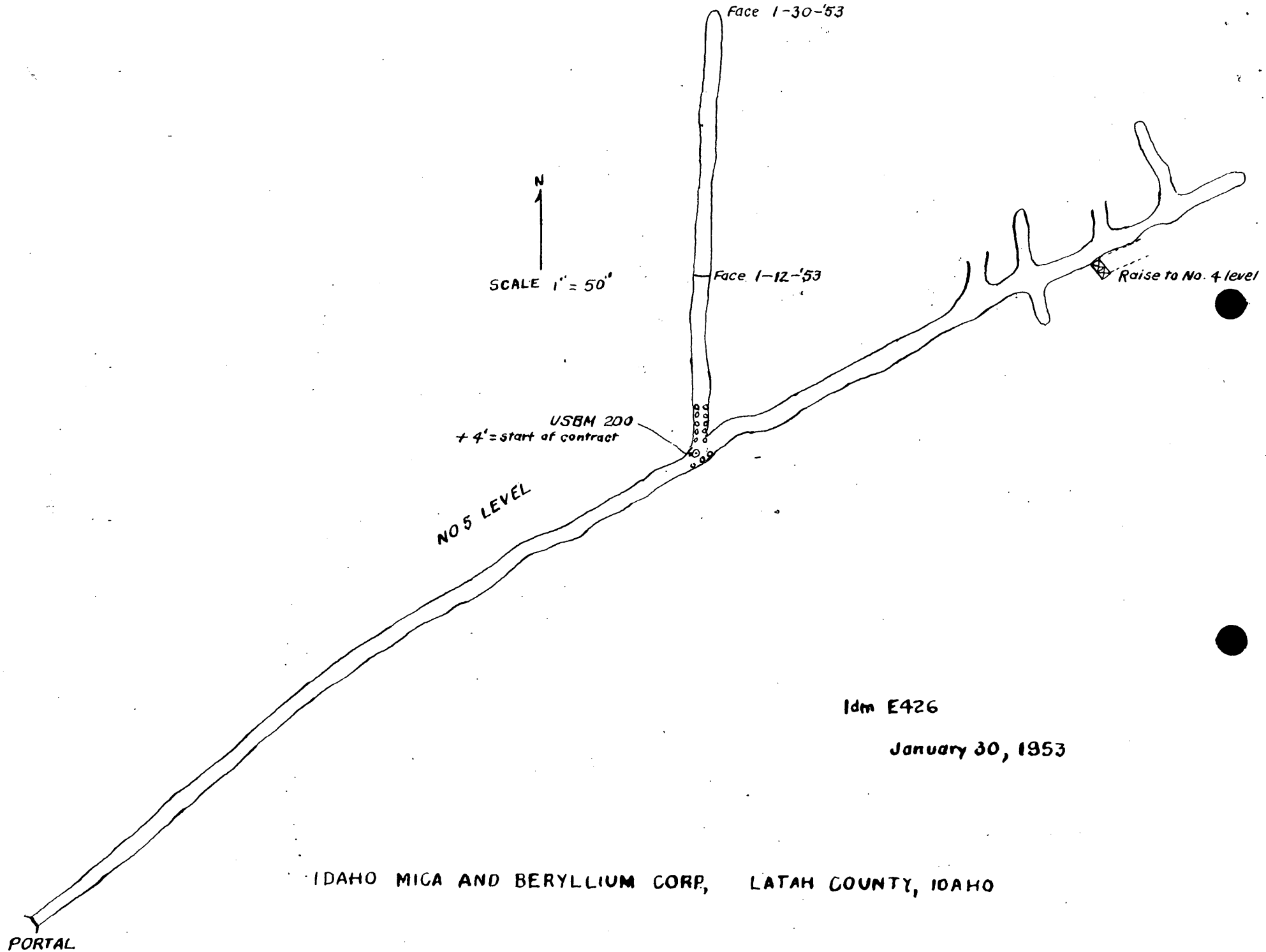
Mr. Smith stated that approximately 3000# of mica has been produced from operations in the raise and under the terms of the contract this would be subject to royalty payments to the Government. Also a small amount of beryl crystals have been recovered, some of them running approximately 7 inches in diameter.

A sketch showing work completed to date and a sketch showing the drift round used in the crosscut is attached.

W. S. Anderson

W. S. Anderson

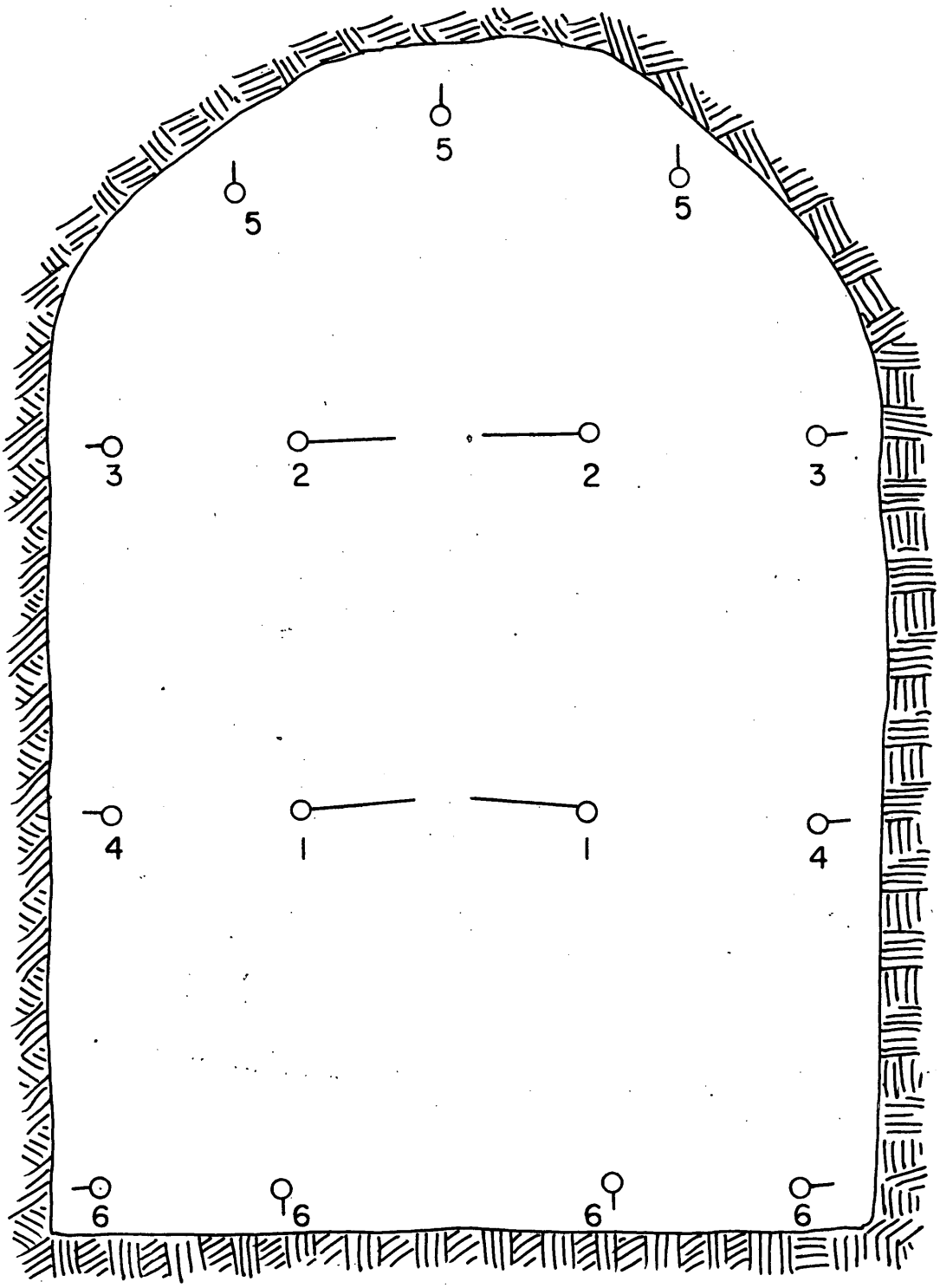
Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
WSA/vf



Idm E426

January 30, 1953

IDAHO MICA AND BERYLLIUM CORP, LATAH COUNTY, IDAHO



Drift Round at the Idaho Mica-Beryllium Corp., (Idm. E426) Latah County, Idaho.

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

FEB 10 1953

Month of January, 1953 Docket No. DMEA _____ Contract No. Ida-H-26
Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica
Address P.O. Box 176, Deary, Idaho
Contract Amount, $ 28,700.00 Government Participation: 90 % Amount, $ 25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~[illegible]~~ Short Form } Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting 181 feet	5882.50	None	5882.50	5882.50	—	5882.50
Timbering 30 feet	150.00	None	150.00	150.00	—	150.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs				300.00	2550.00	2250.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6,032.50	None	6,032.50	5732.50	2550.00	8282.50

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Feb. 4, 1953 *Payee Idaho Beryllium & Mica Corp.

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

5159.25

$ 5159 25

Signature _____ (Authorized Certifying Officer)

Date 2/10/53 Vou. No. 653

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E426 in accordance with the terms of the contract.

Signature /s/ Webster S Anderson Title Mining Engr Date 2/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 2/9/53

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF–104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF–104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF–104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF–104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF–200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF–200; and delete word "Independent" if the contract reported is on Form MF–200 (A). Also, report work paid for on a unit basis under contract Form MF–200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF–104 when submitted for reimbursable expenses incurred under contract Form MF–200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF–200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF–104 is required to be documented. The four copies of Form MF–104 are not to be thus supported.

Form MF–104 submitted for reimbursement under fixed price contracts on Form MF–200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF–104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc.; and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1953 Docket No. DMEA _____ Contract No. [illegible]
Operator's Name Idaho Dery[illegible] & Iron Corporation Minerals Iron
Address P.O. Box 176, Dery, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT: Units	AUTHORIZED BY CONTRACT: Unit Costs
Drifting	Foot	5082.50	181	5082.50	181	32.50		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tabering	Foot	150.00	30	150.00	30	5.00		
TOTAL DISTRIBUTED COSTS		6,032.50	211	6,032.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				2,350.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		6,032.50		8,382.50				8,382.50

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date Feb. 1, 1953 Operator Idaho Dery[illegible] & Iron Corp.
Per John A. Carver, Jr. Title Secretary
Secretary

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

EXHIBIT "A"

IDAHO BERYLLIUM AND MICA CORPORATION

January 31, 1953

On original Form MP-104 and MP104A for the month of November 1952 Rehabiliation and repairs to existing adit on No. 5 level was in error as follows:

Next 250 feet @$5.00/ft	$1250.00 should have been:
Next 190 feet @$5.00/ft	$ 950.00
	$ 300.00

This $300.00 less 10% was drawn in excess and should be deducted from this application for payment.

Orville J. Sletta
Office Manager

EXHIBIT "A"

IDAHO BERYLLIUM & MICA CORPORATION

Contract No. Ida-E1,26 January 31, 1952

" NARRATIVE REPORT "

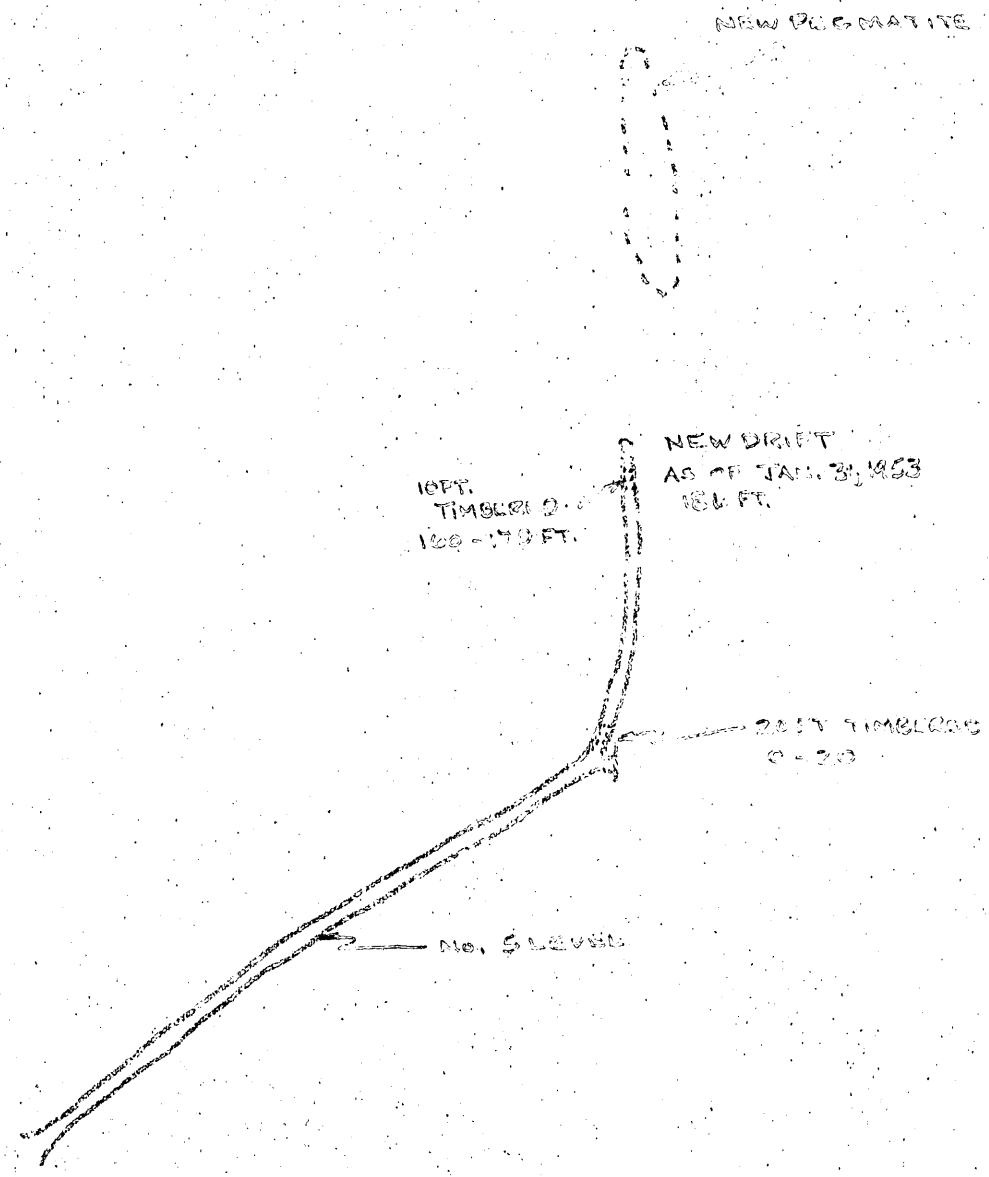
Progress on the new drift has proceeded to the one hundred eighty one foot (181) point.

The first fourteen feet (14) were done by days pay and the remaining one hundred sixty seven feet (167) by contract.

At the offset a fault was encountered which necessitated the timbering of the first twenty feet (20) of the drift. At the one hundred sixty foot (160) point two faults were encountered that crossed the bedding and foliation planes necessitating the ten feet (10) of timbering to the one hundred seventy foot (170) point.

Timbering will have to be advanced from this point at least three more sets or until the faulted area can be bypassed.

D.M.E. DOCKET No. 2697
(MICA)



UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

January 27, 1953

MEMORANDUM

To: A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 1 1953

From: Willard P. Puffett, Geologist
U. S. Geological Survey

Subject: Docket No. DMEA 2607 (Mica), Exploration Contract No. Idm-E426, routine inspection of progress at Idaho Beryllium and Mica Mine, Latah County, Idaho.

A routine inspection of the Muscovite mine of the Idaho Beryllium and Mica Company was made on Saturday, January 24, 1953. Mr. Rainer and Mr. Smith of the company accompanied me on this inspection. Mr. Smith aided me in making a tape and compass survey of the DMEA workings.

The drift toward the "New" pegmatite had been advanced 138 feet from Bureau of Mines marker 200. This represents nearly 135 feet advance. It is anticipated that nearly 130 feet more of drifting will be necessary to reach the area of the downward projection of the target.

All rock exposed in the drift is a light gray, quartz, muscovite-biotite, schist. The drift is being driven at a low angle with the schistosity and thus details of the exact foliation in the schist are difficult to determine. A rather prominent joint system is indicated and a few narrow faults have been intersected. In two of the faults are narrow quartz stringers striking slightly west of north and dipping at various angles. Along these faults the schist is tightly folded, the general plunge of the folds being 70 to 75 degrees to the north. In the face were bands of pinkish, fine-grained garnets, folded intricately similar to examples of ptygmatic folds. Near some of the crests of these tight crenulations are small pods and lenses of glassy, gray quartz, plunging for the most part steeply to the north. No evidence of pegmatite is exposed in the workings.

Mr. Smith informed me that advance was at the rate of 8 feet per day. If this advance remains constant and no particular mining difficulties are encountered, the target area should be reached by the middle of February. Mr. Smith stated our office would be informed if and when the "New" pegmatite is exposed in the DMEA drift.

The operators were planning on making a transit survey of the new workings soon. A copy of the tape and compass survey map accompanies this report.

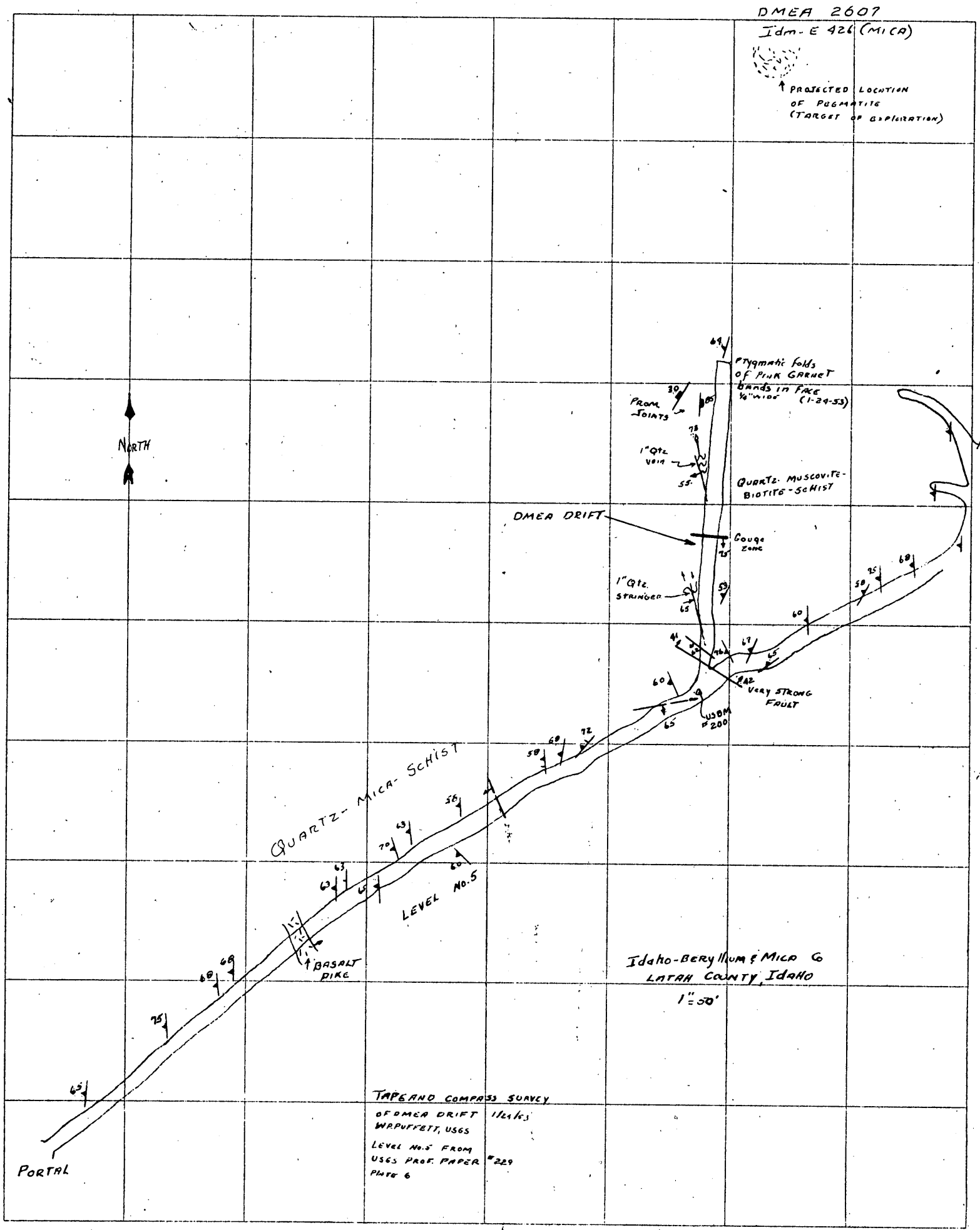
Willard P. Puffett

Willard P. Puffett

Enclosure
Distribution
DMEA(Orig.&3)
USBM(2)
Docket
Puffett

DMEA 2607

Idm-E 426 (MICA)



"ALBANENE" NO. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
January 14, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Routine examination, Idaho Beryllium and Mica Corporation, Latah County, Idaho, Contract Idm-E426, Docket No. DMEA 2607 (mica)

A routine examination was made of the subject property on January 12, 1953. Mr. Hainier, superintendent, was present at the property at the time of the visit.

The crosscut has been advanced 62 feet from USBM #200 which is an advance of 58 feet under the exploration contract. Timber was required for the first 20 feet of advance which was through a northward dipping fault. The heading is being carried 5'x7' in the clear on a bearing of N. 2° E. A 4-foot round is pulled every shift with from 15 to 17 holes drilled for every round. The Operator is operating two shifts of two men each shift.

Operations at the open pit have been discontinued, but the Operator plans on resuming work if the weather continues as mild as it has been for the last few weeks.

A raise which the Operator is running under company account has been advanced 65 feet from the 500 level, and the Operator anticipates a connection with the West pegmatite on the 400 level in another 25 feet.

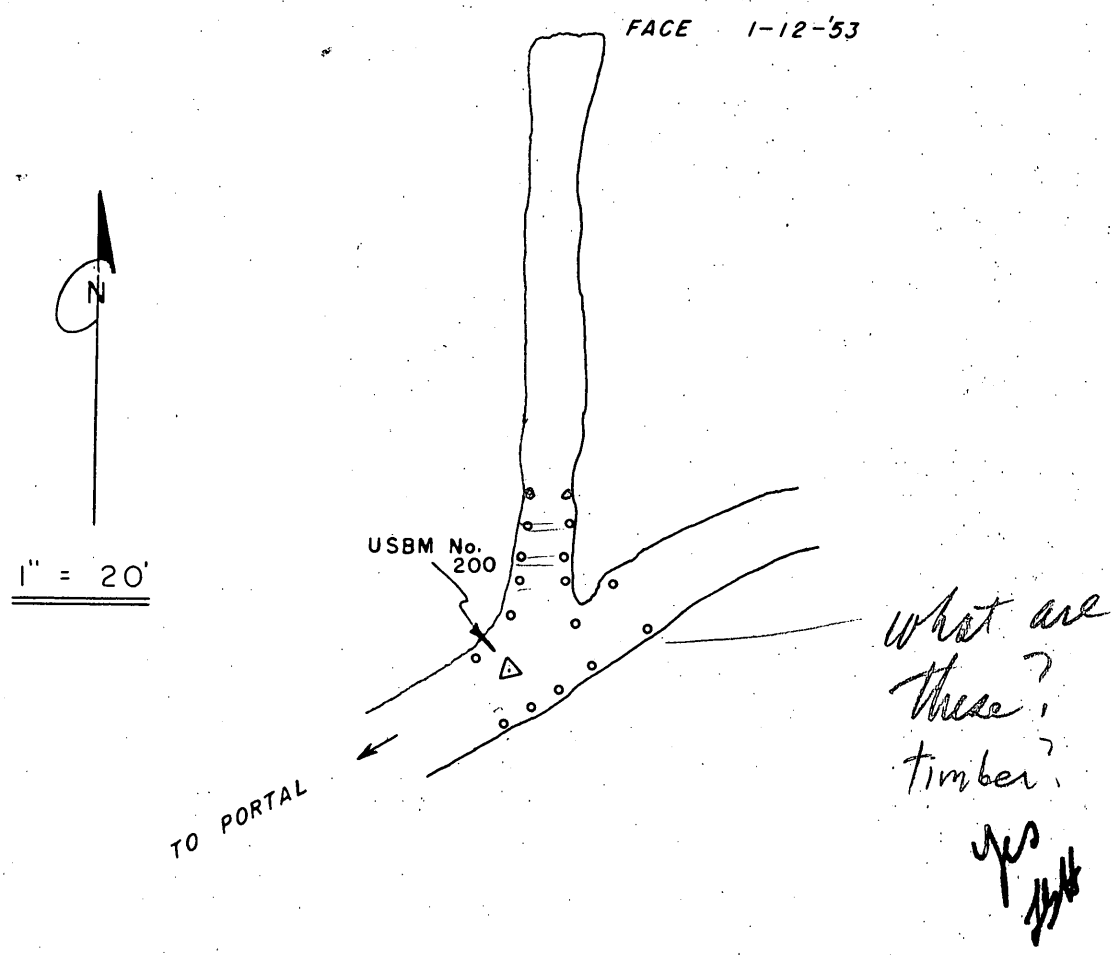
A specimen from the open pit that the Operator showed me was tested for radioactivity with a geiger counter and reacted strongly. This specimen was taken to the USGS offices in Spokane for examination and it was determined that it contained approximately 3 percent U_3O_8. Mr. Hainier stated that during operations in the open pit while cobbing books of mica they would encounter streaks similar to the specimen containing a greenish mineral (thought to be meta-torbernite by the USGS) and that some pockets contained as much as 200 pounds of pegmatite containing this mineral. In the writer's opinion, if during cobbing this material is found it should be collected and stockpiled if there is an appreciable amount. It is suggested that the deposit be examined by representatives from the AEC.

A sketch is attached showing work completed to date on the crosscut.

W. S. Anderson

W. S. Anderson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
R. H. Storch
M. H. Kline (2)
WSA/he



Idm E426

January 12, 1953

W.S.A.

IDAHO MICA AND BERYLLIUM CORP., LATAH COUNTY, IDAHO

2607

FILE COPY

SURNAME:

C.E. Kane

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

December 31, 1952 TEW

Memorandum

To: Administrator

n.s. in R.v.P.

From: Chief Counsel

Subject: Idaho Beryllium & Mica Corp., Docket DMEA-2607, Contract Idm-E426, Amendment No. 1

The subject amendment has been executed by the parties and is in full force and effect. It was submitted to this office on a routing slip to which was attached a memorandum dated December 8 from the Executive Officer, Region II, to the Chairman of the Operating Committee, and a memorandum dated December 16, from Mr. Laurance F. Hearne, Nonmetallic Minerals Division to the Chairman of the Operating Committee.

This amendment of the contract would not have been approved if it had been submitted to this office prior to its execution.

The contract provides that production from any of the land described in Article II shall be subject to the Government's claim for royalty. The amendment excludes the production from land above a certain horizontal plane.

The language used in the amendment was, I believe, drafted in this office by myself several weeks ago at the instance of Messrs Kouk and Weissenborn. However, the understanding at that time was that the language was to be used as a restatement of the description of the land in Article II of the contract form, if the operator insisted on such restatement as a condition to entering into the contract. The operator did not insist on any such restatement but signed the contract as presented. In a letter from the Chairman of the Operating Committee to Mr. Weissenborn, dated October 27, it is particularly pointed out that the Government's royalty is to apply on all production from the described land.

The contract is dated October 27, 1952. In a letter
ember 18, from Attorneys for the Corporation to
enborn, an attempt is made to limit the operator's liability
ment as is now provided in Amendment No. 1.

The amendment is not within the authority of the Executive as fixed by delegation order 2684. Moreover, there is no

2607
FILE COPY
SURNAME:

C.E. Kane

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

December 31, 1952 FEW

Memorandum

To: Administrator

n.s. in R.v.P.

From: Chief Counsel

Subject: Idaho Beryllium & Mica Corp., Docket DMEA-2607, Contract Idm-E426, Amendment No. 1

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The contract is dated October 27, 1952. In a letter
vember 18, from Attorneys for the Corporation to
senborn, an attempt is made to limit the operator's liability
rment as is now provided in Amendment No. 1.

The amendment is not within the authority of the Executive as fixed by delegation order 2684. Moreover, there is no

consideration for such an amendment, i.e., no corresponding benefit accruing to the Government. It may be that the General Accounting Office will take exceptions to this amendment.

The only remedies I can think of for this amendment are either to persuade the operator to agree to its cancellation, or else simply to notify the operator that the Government repudiates it as improper and entered into by the Executive Officer without authority. The record made by the docket does not seem to permit of making a superseding amendment on the theory that the land was inadvertently and erroneously described in the original contract.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

JLHofflund:gad 12/31/52

Copy to: Admr. R. File
Docket File
Mr. Houk
Mr. Hofflund

U.S.G.S. PROFESSIONAL PAPER 229, TABLE 21, PAGE 47. W.C. STALL

INDICATED RESERVES UNDERGROUND, MUSCOVITE MINE, MAY 1, 1918

Reserve No.	Location	Strike Length (Ft)	Dip Length (Ft)	Av. Thickness (Ft)	Pegmatite (Tons)	Mine-Cobbed Mica (%)	Sheet Mica per ton of pegmatite (pounds)	Punch per ton of pegmatite (pounds)	Beryl (%)	Total Mica (Pounds) Grade	Total Mica (Pounds) Sheet	Total Mica (Pounds) Punch	Total Beryl (tons)
1	East pegmatite below #5 level, downward continuation of pegmatite mined in Stope No. 3	30	30	10	720	6.5	4.0	28.0	0.2	93,600	2,880	20,160	1.4
2	East pegmatite below sub-level and No. 4 level directly above Stope No. 3	35	18	4	202	6.5	4.0	28.0	0.2	26,200	808	5,750	0.4
3	East pegmatite unmined part in Stope No. 4 from No. 5 level up to sub-level			4	1,000	5.0	1.8	25.2	0.2	100,000	1,800	25,200	2.0
4	East pegmatite sub-level and No. 4 level, directly above Stope No. 4	95	25	6	1,140	5.0	1.8	25.2	0.2	114,000	2,052	28,750	2.3
5	East pegmatite below No. 5 level directly beneath sill of Stope #4	80	50	6	1,920	5.0	1.8	25.2	0.2	192,000	3,460	48,400	3.8
6	West pegmatite unmined part above No. 5 level and below No. 4 level, over lateral extent of Stopes 1 & 2				1,200	4.0	0.3	14.5	2.0	96,000	360	17,400	24.0
7	West peg. below No. 5 level, over lateral extent of Stopes 1 & 2	130	50	4	2,080	5.0	0.4	18.0	2.0	208,000	832	37,400	41.6
TOTAL					8,262					829,800	12,192	183,060	75.5

U.S.G.S. PROFESSIONAL PAPER 229 TABLE 22, W.C. STOLL

MUSCOVITE MINE

INFERRED RESERVES UNDERGROUND

Reserve	Pegmatite (tons)	Mine-cobbed mica (pounds)
East pegmatite between No.4 & No.5 levels, north and south of stope No.3, north of stope No.4, and above sub-level between stopes No.3 & No.4	1,000 to 4,000	60,000 to 480,000
Central pegmatite between No.4 and No.5 levels	5,000 to 20,000	50,000 to 200,000
Total	6,000 to 24,000	110,000 to 680,000

2607

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~

1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 23 1952

December 18, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: E. A. Magill, Mining Engineer, Bureau of Mines

Subject: Progress examination, Idaho Beryllium and Mica Corporation, Latah County, Idaho, Contract Idm-E426, Docket No. DMEA 2607, (mica)

A progress examination was made of the subject property on December 17, 1952. Mr. Arlie Hainier, superintendent, was on the property at the time of the visit.

This is the first inspection by a Bureau of Mines engineer since the effective date of the contract. No. 5 adit has been rehabilitated to a point 350 feet from the portal and 8-foot of crosscutting. The Operator on his own account, has rehabilitated the adit another 150 feet preparing to commence a raise for mining on the West pegmatite.

Rehabilitation under the exploration project contract has consisted of repairing the 145 feet timbered section (4' x 6'+) through the overburden near the portal, blasting out the old water dam at 179 feet, placing three sets of timbering from 181 to 193 feet and four sets from 325 to 345 feet where the crosscut has been started. The Operator has installed 20 pound rail (18 inch gauge), 4 inch OD spiral weld pipe for compressed air line, 8 inch galvanized vent pipe and electric lights. It is to be noted that the Operator claimed and was paid $2550.00 for 390 feet of rehabilitation, whereas they should have been allowed only 350 feet for a total of $2350.00. It is suggested that the fiscal officer make an adjustment for the difference on the next voucher.

The crosscut has been advanced 8 feet (12 feet to face from Station USBM 200) on a bearing of N. 22 E. from a point 329.5 feet from the portal. The Operators propose to drive the crosscut on a bearing of about N. 2 E. (compass reading from the marker nails in the back). Unfortunately, they started to crosscut at a point where the first round

cut into a flat (40 degree) northward dipping fault. Consequently, when the first round was blasted, the back ca[illegible] a point 18 feet above the No. 5 level. It has required a double shi[illegible] 10 days to catch up and timber this cave. Picking this particular starting point was unfortunate, especially inasmuch as the originally proposed starting point was about 25 feet further down the adit where a slight curve in the No. 5 level made a favorable location for commencing a crosscut to the north. If the Operators had started at this point, the difficulty would have been avoided.

A marker tag USBM 200 was placed on the bottom of a cap 329.5 feet from the portal so that it might be used in measuring the progress in the crosscut. The crosscut started in the wall N. 2 E., 4 feet north of this marker.

The Operator proposes to advance the heading on a two shift basis. Mucking to be by hand, drilling by rock drill with pusher leg. Labor to be on a contract basis of $12 per foot.

Operations were shut down a number of weeks ago in the open pit, however due to the favorable weather conditions, work was again started December 15. There is about a foot of snow on the ground at the mine, but the roads are clear.

E. A. Magill

E. A. Magill

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
EAM/vf
A/D

FILE COPY
SURNAME:

Hearne
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

December 16, 1952

Memorandum

Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corp.
Muscovite Mine
Latah County, Idaho
Contract No. Idm-M426

To: Chairman, Operating Committee

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 to Contract Idm-M426

Recommendation: Approval

Amendment No. 1 limits the minerals subject to royalty in the event a discovery should be certified to those below a horizontal plane at an altitude of 4,290 together with all minerals mined or extracted from the land as described in the contract through the No. 5 tunnel.

This amendment is necessary to provide a distinction between ore from open-cut workings and ore that has benefited from DMEA exploration work, since the operator has been working the open-cut for his own account for some time.

Laurance F. Hearne
Nonmetallic Minerals Division

LFHearne:gad 12/16/52

Copy to: Admr. R. File
Docket File
Mr. Houk

Docket Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 12 1952

December 8, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA 2607 (Mica)
Idaho Beryllium & Mica Corporation
Latah County, Idaho
Contract Idm-E426

Dear Mr. Johnson:

Enclosed herewith are the original and two signed copies of Amendment No. 1 to the subject contract, with attached justification.

A copy of the amendment has been retained by the Operator, a copy is being retained for our files, and by a carbon copy of this letter we are distributing the Finance Officer's copy.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: Finance Officer w/encl.
USBM (2)
Puffett

cae
12-12

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

December 2, 1952

Mr. John Carver
Idaho Beryllium & Mica Corporation
P. O. Box 176
Deary, Idaho

Re: Docket DMEA-2607 (Mica)
Muscovite Mine
Latah County, Idaho
Contract Idm-E426

Dear Mr. Carver:

Enclosed are eight copies of Amendment No. 1 to your Contract Idm-E426. Also enclosed are five copies each of Forms MF-104 and MF-104A. The latter forms are being sent at the request of Mr. Slatte as per telephone conversation of December 2, 1952.

Amendment No. 1 was obtained as a result of Al Weissenborn's conference with DMEA officials in Washington, D. C. It defines a datum plane below which any products mined will be repayable to DMEA according to terms of the contract, providing, of course, that a Certificate of Discovery is issued as a result of work done under the contract. It is admitted that the established datum plane may not be entirely acceptable to you; however, it is a compromise from the area from which repayment should be made as originally defined in the contract, and it marks a limit to which the Government will agree. If these terms are not acceptable to you it is suggested that you notify us accordingly so that we may rescind the contract.

If the amendment is acceptable, please sign all copies, keep one for your files and return the original and other copies to this office. It is also suggested that if you submit copies of Form MF-104 for work done to date, that you have an official of your company bring those forms to the Bureau of Mines office in Spokane so that he may discuss with our auditor and certifying engineer any corrections or additions found to be necessary. That will take some time but it will also make it much easier for the submittal of subsequent monthly reports.

If we may be of further service, please advise.

Sincerely yours,

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

cc: DMEA (2) Opleamm.
USBM (2)
Puffett

Enclosures

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DEC 1 2 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA 1609 Contract No. Ida-R1,26

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P.O. Box 176, Deary, Idaho

Contract Amount, $28,700.00 Government Participation: 90% Amount, $25,830.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) [redacted]t Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs**	$2550.00	None	$2550.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
**See attached exhibit						
(8) Contingencies (specify):						
TOTALS	$2550.00	None	$2550.00	2550.00		2550.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Dec. 5, 1952 *Payee Idaho Beryllium & Mica Corporation

Per John A. Carver, Jr. Title Secretary

*When a voucher is signed on receipt in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2295.00

Signature [redacted]
(Authorized Certifying Officer)

Date 12/12/50 Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 426 in accordance with the terms of the contract.

Signature /s/ E. A. Mazill Title Min Engr Date 12/10/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Min Engr Date 12/10/52

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF–104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF–104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF–104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF–104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF–200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF–200; and delete word "Independent" if the contract reported is on Form MF–200 (A). Also, report work paid for on a unit basis under contract Form MF–200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF–104 when submitted for reimbursable expenses incurred under contract Form MF–200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF–200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF–104 is required to be documented. The four copies of Form MF–104 are not to be thus supported.

Form MF–104 submitted for reimbursement under fixed price contracts on Form MF–200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF–104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MD-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 13 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1952 Docket No. DMEA _____ Contract No. Idm-E-26

Operator's Name Idaho Beryllium & Mica Corporation Minerals Mica

Address P.O. Box 176, Deary, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		$2550.00		$2550.00				$2550.00
New Buildings, Improvements, etc.								
TOTAL COSTS		$2550.00		$2550.00				$2550.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Dec. 5, 1952 Operator Idaho Beryllium & Mica Corp

Per John A. Carver, Jr. Title Secretary

John A. Carver, Jr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS: Initial rehabilitation and repairs to existing adit completed as follows:

First 50 feet @$12.50/ft	$ 625.00
Next 90 feet @$ 7.50/ft	$ 675.00
Next 250 feet @$ 5.00/ft	$1250.00
TOTAL	$2550.00

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE OF PROGRESS

Work on rehabilitation and repairs on existing adit No. 5 level commenced on November 5, 1952.

The initial phase was repairs to the portal and re-timbering of the first fifteen feet.

The next phase was mucking of the adit and the laying of the ties and track to the point of departure of the present adit, a total of 390 feet.

The next phase was the installation of the compressed air line to the point of departure from the present adit.

The next phase was the installation of the blower piping, sump, pump and water line to the point of departure from the present adit.

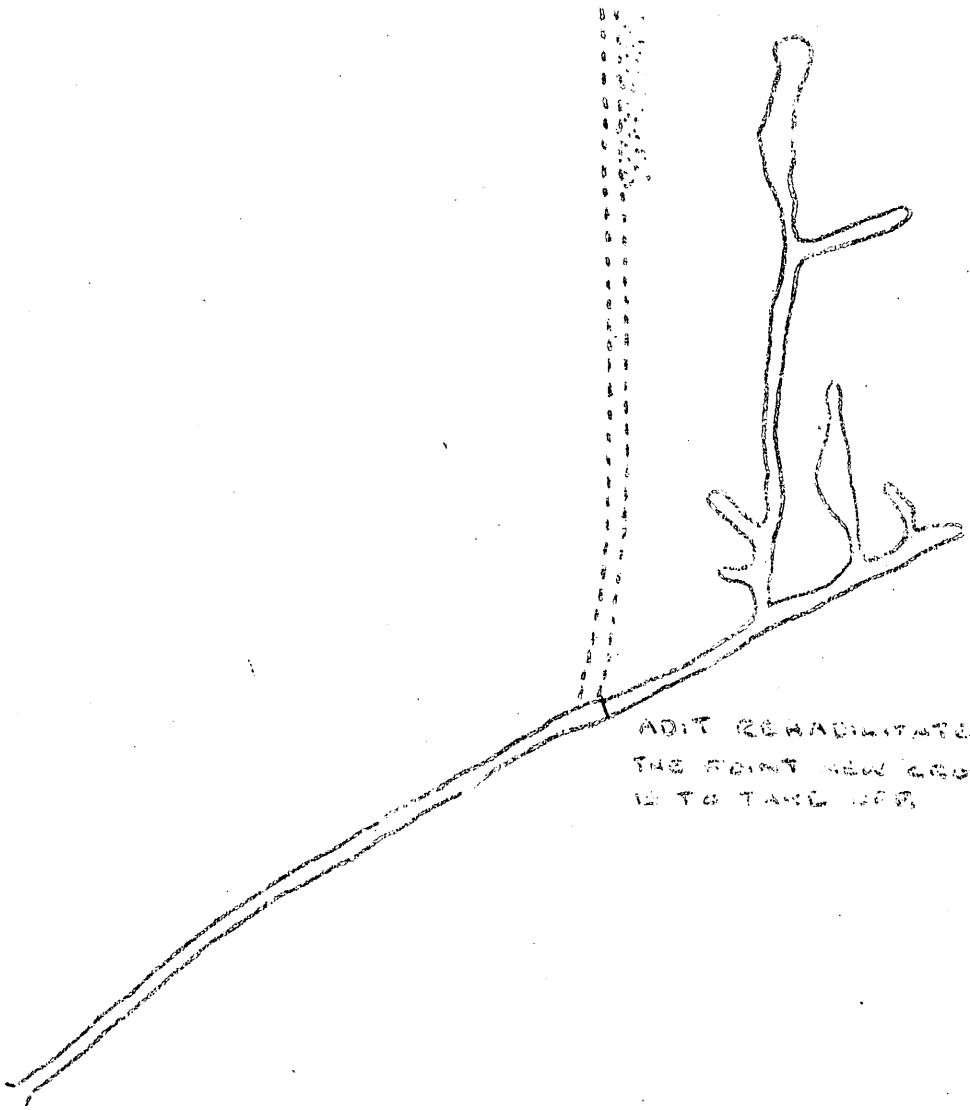
The next phase was the installation of the blasting circuit and lighting circuit, and installation of powder magazine.

There were no unusual difficulties encountered and the total of 390 feet of rehabilitation and repairs was accomplished satisfactorily.

The initial rehabilitation and repairs was completed November 29, 1952.

D.M.E.A. DOCKET NO 2607

(MICA)



November 18, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

Mr. A. E. Weissenborn
Defense Minerals Exploration Administration
Spokane, Washington

Dear Mr. Weissenborn:

In our conversation at your office in Spokane on November 15, 1952, we discussed the inequitable situation which will develop for the Idaho Beryllium and Mica Corporation if Article 6 of Form MF-200(A), Exploration Project Contract (Short Form), should be applied literally. Since we are already in operation, subjecting all of the existing operation to a percentage royalty after certification of discovery would not be within the spirit of the exploration program. And the exploration work being carried on for the new pegmatite cannot be said to benefit all the existing operations, as might be the case in some other types of mining operation.

It is my understanding that this problem is recognized and understood by you, and that if the corporation is willing to agree to pay royalties after discovery certification on all products brought out through the new adit, you will so recommend. Also, with reference to the drill holes intended to intersect the central and east pegmatites, royalties will be confined to that segment of the pegmatites lying below the No. 5 level.

On behalf of the corporation, you are hereby advised of such willingness, and requested to have the contract modified accordingly.

Very truly yours,

CARVER, McCLENAHAN & GREENFIELD

By: John A. Carver, Jr.
Attorneys for Idaho Beryllium & Mica Corporation

jac h

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

[illegible]
No 157 Howard Street
Spokane 4 Washington

November 18 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]
NOV 21 1952

Mr R. J Hindman
Certifying Officer DMA Region II
U S Bureau of Mines
12 1 N Division
Spokane Washington

Re: Docket No DMA-20 7 (Mica)
Idaho Beryllium and Mica Corporation
Latah County Idaho
Contract No Ida-24[illegible]

Dear Mr Hindman:

Enclosed herewith is your copy of the Exploration Project Contract to the Idaho Beryllium and Mica Corporation

The Government's copies are being delivered in person to the Operating Committee since certain provisions are to be discussed with Washington DMEA personnel The Operator has retained his copy of the contract and we are likewise retaining a copy for our files

Sincerely yours

Thor H Killsgaard
For: A. E. Weissenborn
Executive Officer DMA
Field Team Region II

Enclosure

cc: DMEA (2) ✓
USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 1 1952

Mr Hearne

November 10, 1952

Memorandum

To: A. E. Weissenborn, Executive Officer, DMEA Field Team Region II

From: Willard P. Puffett, USGS

Subject: Muscovite Mine, Idaho Beryllium and Mica Corporation Latah County, Idaho, Docket No. DMEA-2607 (Mica).

A visit was made to the office of the Idaho Beryllium and Mica Corporation on Saturday, November 8, 1952. Mr. Slette, a representative of the corporation, was contacted. He stated there is a possibility the contract which was mailed to the company for signing may not be accepted in the present form and a visit to the Spokane DMEA office was being planned on which it was hoped the present contract could be satisfactorily explained.

I then visited the mine. Four men were currently employed rehabilitating No. 5 level. Two of the men, Horace Hosley and Arch Query, assisted me in making some measurements in the tunnel. Track was being laid, the last tie being 249.5 feet from the portal. Two sets of timber have been installed beginning 179.5 feet from the portal. Timber for the sets comes from the property.

Mr. Query stated that rehabilitation work started October 31, 1952. Two men worked three days repairing the portal, after which the four men spent their entire time laying track and installing timber on the level.

Willard P Puffett
Willard P. Puffett
Geologist

cc: Orig. & 3 - DMEA
USBM (2)
Puffett
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Washington
November 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1952

Idaho Beryllium and Mica Corp.
P. O. Box 176
Deary, Idaho

Subject: Exploration project contract Idm-E426

Gentlemen:

Enclosed are the original and five copies of the subject exploration project contract prepared in the Washington, D.C. office of the Defense Minerals Exploration Administration and signed for the Government by C. O. Mittendorf, Administrator.

If the contract meets with your approval, please have all copies signed by an authorized official of the corporation, retain the copy marked "Operator's copy", and return the original and remaining four copies to this office.

Please insert in the space provided in Article 4 of the contract form the number of days from the date of the contract within which you can commence work.

If you find the terms of the contract unsatisfactory, please return all copies with your comments.

Sincerely yours,

M. E. Volin, Member
DMEA Field Team
Region II

Enclosure

cc: DMEA, Wash. (2)
USGS (2)

FILE COPY
SURNAME:

Hearne
Hoch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

October 27, 1952

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Review of Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corp.
Muscovite Mine
Deary, Idaho
Originally $49,181.00
Reduced to $28,700.00

7/7/52 Received memo from Region II dated 7/1/52, forwarding application, which proposed rehabilitating existing adit on No. 5 level to the point at which it intersects the east pegmatite at 490 ft. from the portal, sinking an inclined winze at this point and starting a new No. 6 level from the winze at a depth of 100 ft. driving a drift north to find the extent of the east pegmatite, together with a crosscut to the west pegmatite, for a total length of 300 ft. Proposed cost $49,181.00.

7/16/52 Memo from Weiss of USGS recommending denial because
(1) "The proposed exploration could be expected to add approximately 9,500 tons of rock in the East pegmatite (the pegmatite that has proved most productive in the past). Of this 9,500 tons, 1,920 is already included in the published reserve figures."
(2) "This clearly comes under the heading of development work rather than exploration. The applicant also requests $12,400 for equipment that has no place in exploration work. The total amount requested is extravagant".
(3) "The applicant recently received a $125,000 DMPA loan - an extremely large sum for this deposit - and until the Government knows how well the operator performs under this loan, the advisability of additional Government assistance is open to question.
(4) "Brooks states in his progress report to R.F.C. that the applicant has spent $102,687.64 of a $125,000 development loan originally made to provide for production of beryl. The report states that the total mica production since the loan was approved is valued at $67,200. The report mentions absolutely no production of beryl.

7/16/52 Memo from Norton of USGS.
"I am writing this memorandum to express my own rather strong opinions on this project so that you will have a written statement of my views for whatever use they may be to you while I am away from Washington...."
"This deposit has been thoroughly studied, and the large mass of data available indicated to me that a $125,000 loan for reworking the dump would be too large...."
"Regardless of whether or not this company mines the dump or mines pegmatite, I still think there is only a small chance that the loan can be repaid...." "If however, D.M.E.A. makes an exploration grant, it could have the appearance of throwing good money after bad". "Under these circumstances I question the desirability of considering an exploration application for work on this property until the applicant has demonstrated by his performance on the D.M.E.A. loan that he is worthy of further Government assistance."

7/16/52 Letter from A. E. DeCelles, Mining Engineer, R.F.C. transmitting copy of Progress Report dated 7/9/52. Total of $102,637.64 has been disbursed on $125,000 commitment; $62,637.64 for machinery and equipment, $40,000 for operating expenses. Repayment is scheduled to start 10/7/52 at rate of $3,000.00 per month. Discovery of a new mica vein is reported, of such quality that the company has been able to go into immediate production of sheet mica. Value of sheet mica is estimated at $36,000 and hand cobbed mica at $31,200. "The company is now employing 47 cutters and will step that up when they start to realize on the mica now cut." "It is to be noted that while the present program varies from that originally contemplated it will materially enhance the borrower's prospects for success.." The companys management, though inexperienced is aggressive and their technologist, a recent mining school graduate, is thought highly of by the local representatives of the Bureau of Mines and Geological Survey."

7/30/52 Memo from A. J. Kauffman, Jr., U.S.B.M. recommends field examination. "The record of the deposit does not seem to warrant extensive operations for beryl alone; however, other minerals, in particular strategic mica, may be discovered.

8/5/52 Referred to field team, with request for a more reasonable exploration program.

9/15/52 Letter to Region II "On Saturday, Sept. 13, a diamond drill hole contacted the new N.W. Pegmatite body at a depth of 210 feet below existing surface workings or

65 feet below the existing No. 5 level...." "The core recovery was about 50% and this showed 10" of mica and beryl pegmatite and 43" of alteration zone. Pieces of beryl and mica could be seen in the core that was recovered.

9/17/52 Region II transmits field reports dated 9/11/52 by E. A. Magill, U.S.B.M. and V. C. Fryklund, Jr., U.S.G.S., recommending two diamond drill holes to cut new pegmatite at No. 5 level and 120 feet beneath it, and two holes to cut the East and West pegmatites at approximately 120 feet below the No. 5 level. If the first hole on the new pegmatite was favorable, a heading would be driven from the No. 5 adit to the new pegmatite. "Inasmuch as the winter season is fast approaching, the Field Team recommends that every consideration be given to expediting final processing of this application."

9/26/52 Field Team report reviewed by Operating Committee.

10/8/52 Memo from Kauffman, U.S.B.M. "The examination indicates substantial mica and little beryl. The docket, therefore, should be considered by the Commodity Group concerned with mica.

"In the interest of finding new beryl occurrences, it is recommended that Stage I (4 diamond drill holes as indicated) be approved."

10/16/52 Memo from Chief Counsel to Administrator regarding $125,000 R.F.C. loan; "the signing of this contract need not be delayed to make mention in Article 2(a) of any formal subordination agreement, if one is required. However, the executed document should not be delivered to the operator until after receipt of a favorable response from the R.F.C. and the operator should be given to understand that the contract will not be in effect until its delivery to him."

10/17/52 Memo from Van Alstine, U.S.G.S. suggests that field be heard from regarding memos from Weiss and Norton of 7/16/52 and letter from Operating Committee to Region II dated 8/5/52. Questions need for drill holes No. 1 and No. 2 since the applicant has already drilled a hole intersecting the new pegmatite about half way between them on the dip. "As for the advisability of drilling proposed holes 3 and 4 on the East and West pegmatites, I believe that Comment No. 1 in Weis' memorandum of July 16, 1952, should be considered and evaluated or rebuffed by the field team." Mentions fact that field team engineer's and geologist's reports do not coincide as to amount of drifting and cross-cutting and number of cross-cuts.

10/20/52 Letter from R.F.C. stating applicant secured a loan in amount of $125,000 repayable $3,000 monthly including interest beginning October 7, 1952, plus annual principal payments each in amount by which 50% of earnings during preceding fiscal year exceeds the amount of monthly principal payments during year. Maturity April 7, 1956. R.F.C. is unwilling to subordinate its mortgage to lien under proposed exploration contract.

Laurance F. Hearne
Nonmetallic Minerals Division

LFHearne:gad

Copy to: Adm. R. File
Docket File
Mr. Houk

Comment:

The original application dated July 1, 1952 and the commodity groups recommendations thereon were made without knowledge of the existence of the recently discovered pegmatite, which materially altered the proposed exploration program. The contract as submitted herewith was written after a telephone conversation with Mr. Weissenborn following receipt of information concerning the drill hole which cut the new pegmatite. Mr. Van Alstine's suggestion that the field team be contacted regarding the earlier USGS memoranda, if carried out, would delay the start of the work for several additional weeks. Weis' first comment, and the only one in his memorandum which concerns the geological probability of making a discovery, is to the effect that the work on the East pegmatite could be expected to add 9,500 tons of rock to the indicated reserves, of which 1,920 tons is already included in the published reserve figures. Since it is now proposed to explore this extension by two drill holes at a cost of $4,050.00 rather than by a winze, drift, and cross-cuts as originally proposed, the objection is no longer pertinent. Using the figures cited above, a net addition of 9,500 - 1,920 = 7,580 tons of inferred pegmatite, averaging 5% cobbed mica (Stoll's figure), might be made, with a market value of 7,580 x .05 x 600 = $227,400 at a cost of $4,050.00.

Weis' second comment that the work is development rather than exploration was made before the new program had been proposed.

Weis' third comment, questions the advisability of further Government assistance until the applicant's performance under the R.F.C. loan is known. The R.F.C. advises that the first monthly payment of $3,000.00 was made by the operator on October 7, 1952.

Weis' fourth comment that no production of beryl has been made is irrelevant since the contract is primarily for exploration for mica.

The last paragraph of Norton's memorandum, to which Van Alstine refers is the same as Weis' third comment, cited above.

Mr. Van Alstine sees no particular need to drill holes 1 and 2. The original hole No. 1, has been eliminated, but it is felt that hole No. 2 (No. 1 in the contract) should be drilled in order to explore for the existence of the new pegmatite 120 feet below the No. 5 level. Mr. Weissenborn concurred in this view in the recent telephone conversation.

Mr. Van Alstine's suggestion as to holes No. 3 and No. 4 (No. 2 and 3 in the contract) has been discussed in connection with Weis' comment No. 1.

Lacking definite knowledge as to the lateral extent of the pegmatite, a total of 600 feet of driving and cross-cutting is allowed in the contract. The primary objective of the exploration is to define the limits of the new pegmatite on the No. 5 level and it is conceivable that even 600 feet of such work might be inadequate.

The memorandum from Mr. A. J. Kauffman, Jr. of the USBM, dated October 8, 1952, approves the drilling of four diamond drill holes in the interest of beryl exploration but states that the docket should be considered by the Commodity Group concerned with mica. This statement is technically correct.

Memo from the Chief Counsel suggests execution of the contract but withholding of its delivery to the operator until arrangements can be made with R.F.C. regarding royalty payments in the event a certificate of discovery is issued.

It is pertinent to point out that the operator wishes to start the project before winter, which is close at hand in Idaho.

In telephone conversation with Weissenborn October 22nd the cost estimates of the work to be performed under the contract were revised with his concurrence and with the approval of the operator. Weissenborn further stated that the drifting should proceed concurrently with the diamond drilling.

Justification for waiving subordination agreement:

The company has vigorously mined the new pegmatite and have removed $120,000 worth of mica this year according to Weissenborn. The R.F.C. refusal to subordinate their mortgage of $125,000 to our lien against production necessitates the waiver on the part of DMEA. That the property has merit is indicated by the value of production for this year. The company drill hole which intersects the new pegmatite 210' below outcrop further enhances the prospect of repayment.

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

OCT 27 1952

Hearne
Hook
Dietrich
Rickane
Hoffland
Van Alstine
Talbot

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2607
Idaho Beryllium and Mica Corp.
Muscovite Mine
Deary, Idaho

Dear Mr. Weissenborn:

Please find herewith a contract in sextuplicate covering the subject exploration project which has been signed by this office for the Government with register number and effective date as shown.

You are requested to insert the time for beginning work in Article 3, and obtain execution of all six copies by the Operator, leaving the "Operator's Copy" with him. The "Field Team's Copy" and "Finance Office Copy" should be distributed in your Region, and the Government's Copy, Docket Copy, and Division Copy should be returned to this office.

The Government will not participate in the cost of any holes completed prior to effective date of the contract.

The Reconstruction Finance Corporation will not subordinate its mortgage but they have no objection to our lien against production. The DMEA will accept the guarantee for repayment in the contract from the Idaho Beryllium and Mica Corp.

Repayment of the exploration assistance should be from the production from the area mentioned in Article 2; however, if they have any objection, the ore drawn through the drift in No. 5 level should be the basis for repayment, plus area in contract excluding dumps.

Sincerely yours,

(signed) FRANK E. JOHNSON (JNB)
Chairman, Operating Committee

Approved:

Charles N. Merrill (JNB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (JNB)
Member, Geological Survey

Enclosures 6

LFHearne:gad 10/22/52
Copy to: Adm. R. File
Docket File
Mr. Dietrich, 3526
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Hook
Operating Committee (2)

J.N. 10.27.52

Idaho Bergium: ~~From Fred on EPS~~

Castle Station to Oct 29 have purchased 8033# of smoke for $86,927

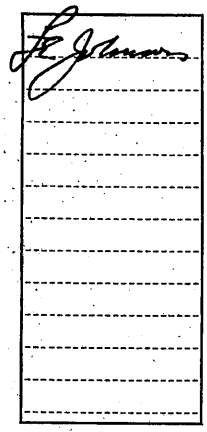
I.B.C. have 1863# on transit.

according to Bill Fuson of ~~EPS~~. EPS

Put in Book DMEa-2607

Oct. 24, 1952

FILE COPY
SURNAME:



UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

October 24, 1952

Memorandum

To: Administrator

From: Deputy Administrator

Subject: Idaho Beryllium and Mica Corporation
DMEA-2607 (Mica)

Pursuant to discussions with Mr. Larry Houk concerning the proposed contract with the subject Operator, I talked to Mr. C. W. Tulley of RFC. Mr. Tulley advised that in the case of Idaho Beryllium and Mica Corporation that RFC would not give a Subordination Agreement. He explained that the RFC had made a Business Loan to this company and held a lien on the fixed assets. In this case RFC has no lien on the proceeds of the operation but does hold a mortgage on the property of the Operator. Mr. Tulley advised, that RFC has no legal basis for objecting to our contract where a business loan is involved as in this case, and said this had been confirmed by his Legal Department. Consequently, there would be no point in RFC writing to us stating that they had no objection to our making the contract. He said that the Operator could make any contracts he wanted to; but of course, should be careful that he did not take on obligations that would prevent his repaying the RFC loan on schedule, because, if he failed to meet the payments the RFC would probably foreclose.

Mr. Tulley asked that our cases with RFC be handled informally with him before preparing letters requesting clearance from RFC in cases where that agency had made loans to the Operators.

In view of the position of RFC in this matter I recommend that we waive the requirement for Subordination Agreement in this case. Mr. Houk has advised me that he feels that the Operator is reliable and will make a conscientious effort to carry out this project efficiently. He has also advised me that the Field Team is of the same opinion. Under the contract, the Operator, will of course, guarantee repayments from production.

FEJohnson/bih
cc to: Docket
Admr's Reading File
Messrs. Hofflund
Chambers
Houk
FEJohnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

October 23, 1952

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Chronology - Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corp.
Deary, Idaho

7/7/52	Received application, dated July 1, 1952, forwarded from Region II.
7/16/52	Memo from USGS
7/30/52	Memo from USBM
8/5/52	Referred to Region II for field investigation
9/17/52	Region II transmittal of report of examination, dated September 11, 1952.
9/26/52	Field Report reviewed by Operating Committee.
10/2/52	Letter to R.F.C. regarding subordination of their loan.
10/8/52	Memo from USBM
10/16/52	Memo from Chief Counsel
10/17/52	Memo from USGS
10/20/52	Letter from R.F.C. refusing subordination.

Laurance F. Hearne

Laurance F. Hearne
Nonmetallic Minerals Division

10/21/52
10-21-52

NOTE for Idaho Beryllium docket:

Notify Senator Dworshak's office when final action is taken. (Telephone request from his office.) (Miss Shadduck.)

COM (fw)

10/27/52

Miss Shadduck called by Mr. Mittendorf, today, and told that the contract is being signed by him today and sent to the Field for the operator's signature, with instructions to the Field Team to insert the beginning date.

fw

Mr. Mittendorf:

Senator Dworshak's office called (Idaho) on Docket 2607, Idaho Beryllium and Mica Corporation. Miss Shadduck, his secretary said that the Senator had talked with Mr. Weissenborn about this case. Please call Ext. 1680, Tie Line 190.

RECONSTRUCTION FINANCE CORPORATION

WASHINGTON 25, D. C.

OCT 20 1952

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

DMEA-2607

Re: Idaho Beryllium and Mica
Corporation
Caldwell, Idaho

Dear Mr. Mittendorf:

Reference is made to your letter dated October 2, 1952, to Mr. Frank T. Ronan, Director, Office of Loans requesting information regarding the mortgage securing this Corporation's loan to the captioned Borrower.

Reconstruction Finance Corporation presently holds a first mortgage on land, buildings and equipment of the captioned Borrower securing a loan in the amount of $125,000 repayable $3,000 monthly including interest beginning October 7, 1952, plus annual principal payments each in amount by which 50% of Borrower's net earnings during the preceding fiscal year exceeds the amount of the monthly principal payments during that fiscal year. The final maturity is April 7, 1956.

Reconstruction Finance Corporation would be unwilling to subordinate its mortgage to the Government lien under the proposed Exploration Contract referred to in your aforesaid letter.

Very truly yours,

Edward J. Singer
Acting Secretary

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 21 1952

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 17 1952

October 17, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2607 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration.
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Idaho Beryllium and Mica Corporation.
Name of property: Muscovite mica mine and Lawrence lode mining claim.
Location of property: Section 22, T. 41 N., R. 2 W., about 6 miles north of Deary, Latah County, Idaho.
Date of field team reports: September 11, 1952.
Authorship of field team reports: One by E. A. Magill and one by V. G. Fryklund, Jr.
Field team's recommendation:
Approve application for exploration as modified:
Geologist's recommendation
Alternative 1 - drill 4 holes, about 1,290 feet total.
Alternative 2 - drill 4 holes, as above, and drift and crosscut about 400 feet.
Engineer's recommendation - estimated cost $41,327.
Stage 1 - drill 4 holes, about 1,500 feet total.
Stage 2 - rehabilitate adit level and drift and crosscut 600 feet.

Comments:

The field team reports contain no comments on the remarks of Norton and Weis (see their memos of July 16, 1952, recommending denial of the application, especially Norton's last paragraph and Weis' third and fourth comments). Mr. Johnson's letter of August 5, 1952 to Mr. Weissenborn, requesting a field team examination, does not mention that Norton's and Weis' memos were sent to the field team.

Norton and Weis both pointed out that the applicant recently received a $125,000 DMPA loan for reworking their dump for scrap mica and beryl, and questioned the desirability of considering the request for exploration assistance until the applicant has demonstrated by his performance on the DMPA loan that he is worthy of further Government assistance. An R.F.C. progress report of July 9, 1952, stated that $102,687.64 of the loan for the production of beryl already had been spent by the applicant, and that since the loan was approved, $67,200 worth

of mica had been produced; no production of beryl was mentioned.

Mr. Johnson's letter, mentioned above, requested that the known mica-beryl reserves should be compared to the present or proposed rate of mining in order to determine the chances of repayment of exploration assistance. Neither of the two field team reports contains such a comparison.

Comments on exploration proposal.

Stage 1 (drilling).—The exploration proposal is confused somewhat by the fact that the applicant went ahead and drilled a hole that intersected the "New" pegmatite about halfway between the points where proposed holes 1 and 2 would hit it. Therefore, I see no particular need to drill holes 1 and 2; the applicant evidently would agree that additional drilling at this drill site no longer need be considered a part of his exploration plan. According to the field team memorandum of September 17, 1952: "Because of this evidence recovered in the drill hole, the applicants hope that the application will be expedited and that sufficient evidence has been obtained to substantiate crosscutting to the pegmatite from the No. 5 adit level."

As for the advisability of drilling proposed holes 3 and 4 on the East and West pegmatites, I believe that comment no. 1 in Weis' memorandum of July 16, 1952, should be considered and evaluated or rebutted by the field team.

Stage 2 (drifting and crosscutting).--It is not clear how much underground work is proposed for the "New" pegmatite. According to the geologist member of the field team, 400 feet of drifting and crosscutting are proposed in the text and also shown on the 1 inch to 50 feet map. The engineer's report, however, proposes 600 feet of drifting and crosscutting in the text and shows 500 feet on the accompanying 1 inch to 100 feet map. The geologist's map shows three crosscuts in the pegmatite, however, and the engineer's map shows only two.

ACTION SUGGESTED:

It is recommended that the field team be heard from on the items mentioned under "comments" above, before the application is considered further.

R. E. Van Alstine

R. E. Van Alstine

140

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Ave

AEKane

October 16, 1952

Memorandum

n. s. in P. & R.

To: Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Idaho Beryllium & Mica Corp., Docket No. DMEA-2607

There is attached, in satisfactory legal form for execution, a contract covering the above-described project.

The property which is the subject of this contract is subject to a $125,000 mortgage held by the RFC. If this sum were first payable out of the proceeds of mining operations, the result might be that DMEA might never be repaid its contribution to exploration costs unless a subordination agreement were obtained. It is believed, however, that no matter what the terms of the mortgage are, that it will not be necessary to obtain a formal subordination agreement and that the RFC in response to our letter of October 2, 1952, will consent, as it has done in the past, to payment of royalties as provided under the exploration project contract.

Consequently, I do not think that the signing of this contract need be delayed to make mention in Article 2(a) of any formal subordination agreement, if one is required. However, the executed document should not be delivered to the Operator until after receipt of a favorable response from the RFC, and the Operator should be given to understand that the contract will not be in effect until its delivery to him.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

AEKane/mef
cc to: Mails and Files
J. L. Hofflund
Mr. Kane
Mr. Houk
Chron.

FILE COPY
Surname:

Kauffman
Beryl

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

October 8, 1952

Memorandum

To: L. C. Houk, Chief
Nonmetallics Division, DMEA

From: A. J. Kauffman, Jr.
Rare and Precious Metals Branch

Subject: DMEA Docket 2607, Idaho Beryllium, Mica Corp., Deary, Idaho.

This office recommended the property for Field Team examination even though beryl was a minor constituent. The examination indicates substantial mica and little beryl. The docket, therefore, should be considered by the Commodity group concerned with mica.

In the interest of finding new beryl occurrences, it is recommended that Stage I (4 diamond drill holes as indicated) be approved.

Signed

A. J. Kauffman, Jr.

Attachment

AJKauffman:kg
Copy to: Minerals Divsion
A. J. Kauffman, Jr.
Rare and Precious Metals Branch
F I L E S

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Kane
Hoffland
Houk

OCT 2 1952

Mr. Frank T. Ronan
Director, Office of Loans
Reconstruction Finance Corporation
811 Vermont Avenue
Washington, D. C.

Dear Mr. Ronan:

The Government, through Defense Minerals Exploration Administration, is about to enter into an Exploration Project Contract with the Idaho Beryllium and Mica Corporation whose address is P.O. Box 176, Dreary, Idaho. This contract estimates the project cost at $28,700.00 of which the Government would contribute $25,830.00. We are enclosing herewith a sample form of the proposed contract which describes in Article 6 the manner in which the Operator is to repay the Government its contribution, and the Government's lien until repayment.

The Operator has stated that it executed a mortgage to Reconstruction Finance Corporation on April 7, 1952, to secure the payment of $125,000.00 and interest. The mortgage was recorded on April 8, 1952, in Book 76 of Mortgages at Page 386 in the records of Latah County, Idaho, under Recorder's Fee No. 180215. It would be appreciated if you could inform this office of the details of this mortgage.

The Government's lien under the Exploration Project Contract lasts for only ten years. If payments under the terms of your mortgage were required to be made before Defense Minerals Exploration Administration could receive any royalties, or in very large installments, this could mean that the Government might never be fully repaid for its contribution to the exploration costs. If such were the case, we would ask that the Reconstruction Finance Corporation mortgage be subordinated to the Defense Minerals Exploration Administration lien which is relatively little. However, we would not ask this, if such were not the case.

Your advice in this regard would be appreciated. As it is essential that this contract be entered into immediately, please give your prompt attention to this matter.

Sincerely yours,

C. O. Mittendorf (fw)
Administrator

FW. 10-2-52

AEKane/em/mef 10/1/52
cc to: Adm. R. File, Mails & Files
Mr. Mittendorf, Mr. Houk
Mr. Hofflund, Mr. Kane
Chron. Pending

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

September 17, 1952

Memorandum

To: Chairman, DMEA Operating Committee

From: DMEA Field Team, Region II

Subject: Docket No. DMEA 2607 (Mica), Idaho Beryllium and Mica Corporation, Muscovite Mine, Latah County, Idaho.

Forwarded herewith are four copies each of field examination reports on the above captioned property by V. C. Fryklund, USGS, and E. A. Magill, USBM, wherein approval is recommended for government aid on an exploration project for mica at the Muscovite Mine, Latah County, Idaho.

The Field Team concurs with the Field Examiners' recommendations and wants to bring special attention to the statement in Fryklund's report concerning inferred ore reserves if the New pegmatite is found to persist to the No. 5 level. From these figures it can be ascertained that the Muscovite Mine contains a great potential of mica ore in addition to that on which previously a DMPA loan has been granted.

The Field Team is in receipt of a letter from the Idaho Beryllium and Mica Corporation, dated September 15, 1952, wherein it is stated that on Saturday, September 13, a diamond drill hole contacted the New pegmatite body at a depth of 210 feet below existing surface workings or 65 feet below the now existing No. 5 level. The core recovery was about 50 percent and showed 10 inches of mica and beryl pegmatite and 43 inches of alteration zone. Because of this evidence recovered in the drill hole the applicants hope that the application will be expedited and that sufficient evidence has been obtained to substantiate crosscutting to the pegmatite from the No. 5 adit level.

Inasmuch as the winter season is fast approaching, the Field Team recommends that every consideration be given to expediting final processing of this application.

By DMEA Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines

Enclosures

cc: USBM (2)
Fryklund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Wash.

September 11, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: E. A. Magill, Mining Engineer, Bureau of Mines

Subject: Field examination of Muscovite Mine, Idaho Beryllium and Mica Corp., Latah County, Idaho, Docket No. DMEA 2607 (mica).

A field examination was made of the Muscovite mine on August 20, 1952, in company with W. S. Anderson, USBM. Mr. Albert Smith, engineer in charge of the operation, accompanied us about the property.

RECOMMENDATION

The exploration program as presented by the applicant in his application is not recommended. It is recommended that the exploration program worked out between the examining teams and the applicant be approved.

LOCATION

The Muscovite mine is in Section 22, T. 41 N., R. 2 W., B.M., Robinson mining district, Latah County, Idaho. The mine is 10 miles by graveled road north of Deary, Idaho. The mica is trucked to a rifting and trimming shed in Deary.

TOPOGRAPHY

The mine workings lie on the crest of a ridge at an elevation of between 4181 and 4460 feet. Snowfall in the area varies between 3 and 6 feet for a 4-month period during the winter. The road to the property may be kept open by a bulldozer. It is impractical to conduct open pit operations for the 4-month period in the middle of the winter.

Reviewed by
DMEA Oper. Com.
9/26/52.

PROPERTY

The property involved in the application consists of Muscovite Mica and Lawrence Mica Lode mining claims, Survey No. 1048 recorded on page 247, Book 15 of Deeds at the county seat Moscow, Idaho. Also the NW$\frac{1}{4}$ of the SE$\frac{1}{4}$ and the SE$\frac{1}{4}$ of the NW$\frac{1}{4}$ and the south 330 feet of the NE$\frac{1}{4}$ of the NW$\frac{1}{4}$ all in section 22, T. 41 N., R. 2 E., B.M., Latah County, Idaho.

The applicant claims ownership.

COMPETENCE OF APPLICANT

The personnel connected with the operation are competent to carry out the proposed program.

PAST PRODUCTION

For past production figures see USGS Professional Paper 229, Mica & Beryl Pegmatites in Idaho and Montana by W. C. Stoll.

The present operators have produced from May 6 to August 12, 1952, 278,000 lbs. of cobbed mica; 120,000 lbs. of which has been rifted, 61,166 lbs. sent to the trimmers with a production of 6,990 lbs. of full trimed mica. Fifty tons of scrap mica (from trimming operations) valued at $80 per ton has been sold to private consumers. The majority of scrap mica and the material from the mica zone in the pegmatite is being stockpiled for processing into ground mica products. The applicant hopes to have the mill in operation during the summer of 1953 to handle this stockpiled material. They have already received a DMPA-RFC loan in the amount of $125,000 to cover the cost of its erection.

The sale of the full trimmed mica has returned the company an average of $12 per lb. with the production being purchased by the General Services Administration under a premium price plan. Daily production at present averages 150 lbs. of trimmed mica from 3000 lbs. of hand cobbed mine run.

About 50 women are employed in the rifting and trimming plant at Deary. Twenty-three persons are employed at the mine. Work at the mine is carried on a two-shift basis with three shifts proposed for the open pit stripping operations in the near future.

DESCRIPTION OF DEPOSITS

The deposit is described fully by Stoll in USGS Professional Paper 229, pp 36-48, and V. C. Fryklund, USGS, in his memorandum concerning the application.

The pegmatites dip from 50 to 70 degrees west with a strike about north-south. The applicants, in their open pit operations, uncovered a new pegmatite which has a width of from 20 to 30 feet and a length of 120 feet. The majority of this year's production has come from this pegmatite. Books of mica well over 1 foot in diameter are found on the hanging wall. The Beryl content appears to be low and no special attempt has been made to recover the beryl crystals, though a few are recovered during the hand cobbing operations.

ORE RESERVES

Mr. Fryklund in his memo estimates the following reserves for the property:

	Cobbed Mica (lbs.)	Beryl (tons)
New Pegmatite	278,000 to 556,000	
East Pegmatite (under ground)	60,000 to 480,000	
Central Pegmatite " "	50,000 to 200,000	
Central Pegmatite (above No. 4 level)	150,000	45
East and West Pegmatite (above No. 4 level)	50,000 to 300,000	25-75
Altered Schist (above No. 4 level)		35
Total reserves	588,000 to 1,686,000	

The ratio of cobbed mica to full trimmed mica in the operation of the present company has been 3,000 lbs. of cobbed mica to 150 lbs. of full trimmed. The average price received on the full trimmed mica to date has been $12 per pound. The dumps contain 100,000 tons of material from which the operators hope to eventially recover up to 20,000 tons of ground mica after processing.

APPLICANT'S PROPOSAL

The applicant proposed to sink a 100-foot winze from the No. 5 level on the East pegmatite and to drift on the East and crosscut to the West pegmatite. Total amount of the program to be $49,181.00.

ALTERNATE TO APPLICANT'S PROPOSAL

Since the applicant's proposal was submitted, a new pegmatite has been developed which appears to contain more mica than any found before and which offers exploration possibilities above the No. 5 level.

The exploration program proposed by V. C. Fryklund, Jr., of the U. S. Geological Survey, was discussed with Mr. Albert Smith, engineer in charge of the operation, and in place of the program originally proposed by the applicant the following program was agreed upon:

Stage I

Drill four diamond drill holes from the surface at the approximate location shown on the attached map. The first hole will be drilled to intersect the projected location of the new pegmatite at No. 5 level. If this hole is successful in intersecting the pegmatite zone, work on Stage II will be commenced immediately. No. 2 hole will be drilled to intersect the new pegmatite 100 feet below the No. 5 level and extended to explore the Central pegmatite. Holes No. 3 and 4 will be drilled to prospect the East and West pegmatites 100 feet below the No. 5 level.

Stage II

Rehabilitate No. 5 level to a point about 370 feet from the portal where a crosscut will be driven to intersect the new pegmatite, 600 feet of crosscutting and drifting to be allowed for exploration of the new pegmatite on the No. 5 level.

It is to be noted that the maps show workings in the Central pegmatite on the No. 5 level, about 100 feet from the projected location of the new pegmatite. The field examination disclosed that this drift, which had been heavily timbered, was badly caved about 50 feet north of the main crosscut and is past rehabilitation. The No. 5 level crosscut back to the point where it intersects the West pegmatite is in good condition except for the first 140 feet from the portal which is timbered. In this 140-foot timbered section it will be necessary either to intersect or to replace the sets for the first 50 feet, with only occasional replacement or intersects necessary in the remaining 90 feet. The remainder of the crosscut back to where the Central pegmatite drift commences is untimbered. The most economical method of reaching the New pegmatite on the No. 5 level would be to take off the No. 5 level at a point about 370 feet from the portal and drive new workings in the country rock where little or no timber will be required to hold the ground.

An exploration project contract, as outlined below, is proposed:

EXHIBIT "A"

Description of the Work

Stage I

Drill 4 diamond drill holes from the surface at the

approximate locations shown on the attached map. Hole No. 1 shall be drilled to explore for the downward extensions of the new pegmatite at the No. 5 level. Hole No. 2 shall be drilled to explore the new pegmatite 100 feet below the No. 5 level. Holes 3 and 4 are to explore for the downward extensions of the East & West pegmatites 100 feet below the No. 5 level. Total diamond drilling not to exceed 1500 feet.

If Hole No. 1 is successful in finding the downward extensions of the new pegmatite, Stage II may be started with the prior approval of the Government.

Stage II

Rehabilitate the No. 5 level and drive a crosscut from the No. 5 level to intersect the new pegmatite, drift on the new pegmatite and explore by crosscuts as shown on attached map. Total amount of drifting and crosscutting not to exceed 600 feet.

Estimated Cost of the Project

Stage I (Items followed by asterik are allowable maximums)

Time Schedule (months)		
3	Diamond drilling 1500 feet @ $7.50 per foot	$11,250.00
	Preparation of drill sites and access roads	320.00
	Supervision	500.00
	Contingencies	1,207.00
	Total estimated cost Stage I	$13,277.00

Stage II

6	Drifting and crosscutting 600 feet @ $35 per ft.	21,000.00
	Operating equipment to be purchased	1,950.00
	Rehabilitation and repairs	2,550.00
	Contingencies	2,550.00
	Total estimated cost Stage II	$28,050.00

Stage I

(1) Independent Contracts
Diamond drilling 1500 feet @ $7.50 per foot $11,250.00

(2) Labor, Supervision, Consultants 500.00

(3) Operating materials and supplies
(Included in per foot costs)

(4) Operating Equipment

To be purchased

None

To be rented

None

To be furnished by Operator

Bulldozer D6 or equivalent complete with operator, all operating and maintenance expenses 40 hrs. @ $8/hr. $ 320.00

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

10% contingency 1,207.00

Total estimated cost Stage I $13,277.00

Stage II

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

Labor Classification	Rate per 8-hr. shift	Rate per month
Miners	$15.00	
Timberman	15.00	
Trammer	14.00	
Muckers	14.00	
Surface labor	14.00	
Mechanic	16.00	
Supervisor		$500.00*
Accounting		50.00*

All labor and supervision is to be included in estimated per foot costs.

(3) Operating materials and supplies

Schedule waived.

All operating materials and supplies are included in estimated per foot costs.

(4) Operating Equipment

To be purchased	Estimated Cost
1 Rock drill with pusher leg	$ 700.00

750 feet vent tube @ $1 per foot	$ 750.00
1 Fan with electric motor	500.00
Total	$1,950.00

To be rented

1 Air Compressor 315 cfm electric motor driven, 6 mo. @ $250/mo.	$1,500*
1 Air Trammer 6 mo. @ $150/ mo	900*
1 Mucking machine Emico 12B or equivalent 6 mo. @ $250/mo	1,500*
Rental costs included in estimated per foot costs	

To be furnished by Operator

	Estimated Fair Value	Allowable depreciation/mo
2 Mine cars @ $250 ea (for 6 mo.)	$500	$9.00
1 Truck pickup (for 6 mo.)	2,100	35.00

Depreciation included in estimated costs.

(5) Rehabilitate No. 5 Adit Level for:

50 feet @	$12.50 per foot	$625.00
90 feet @	7.50 per foot	675.00
250 feet @	5.00 per foot	1250.00
Total		$2,550.00

Above costs are to include purchase and installations of track, pipe and necessary timber. Also installation of the vent tube. These estimated unit costs include all necessary labor and materials for the rehabilitation.

(6) New Buildings, Improvements Installations

None

(7) Miscellaneous

Contingencies 10%	2,550.00
Crosscutting & drifting 600 feet @ $35 per ft.	21,000.00
Total estimated cost Stage II	$28,050.00

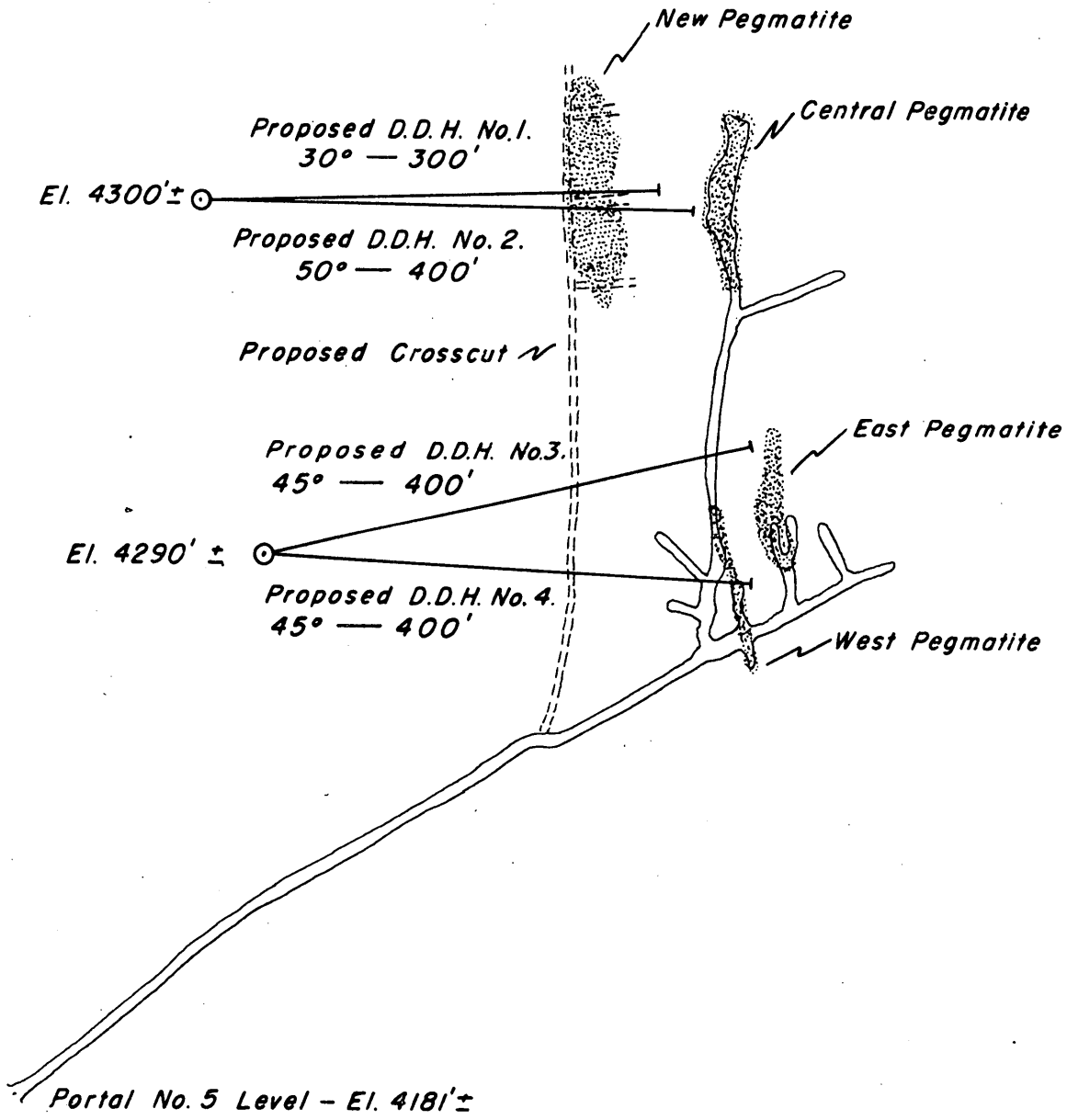
Total estimated cost Stage I	$13,277.00
Total estimated cost Stage II	28,050.00
Total estimated cost Project	$41,327.00
Government participation at 90%	$37,184.30

E. A. Magill

CC: 3-Wash
2-USGS
Albany
DMEA
M/D
EAM

D.M.E.A. Docket No. 2607

(Mica)



Scale 1" = 100'

Idaho Beryllium Corp. Muscovite Mine — Latah County, Idaho.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

DMEA(4)

So. 157 Howard Street
Spokane 4, Washington

September 11, 1952

Memorandum

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

From: Verne C. Fryklund, Jr., Geologist, U. S. Geological Survey

Subject: Field examination of the Muscovite Mine, Docket No. DMEA-2607, Idaho Beryllium and Mica Corp., Latah County, Idaho (Mica)

Introduction

I examined the property August 13, 1952 with Willard Puffett and Jerry Fuller of the Geological Survey and Albert Smith the company engineer.

This memorandum is concerned only with the geological aspects of the exploration and with the method of attaining the objectives of the exploration. Other aspects will be presented in a memorandum from the Bureau of Mines. The original application was unusually complete and points covered in the application will not be repeated. In addition the Muscovite mine has been described in detail by W. C. Stoll in "Mica and Beryl Pegmatites of Idaho and Montana", U.S.G.S. Prof. Paper, 229 pp. 36-48, underground and surface geology is presented on plates 5, 6, and 7 of that report. Those geological details will not be repeated in this memorandum.

I should make it clear at the beginning that the applicant for some reason neglected to point out in his application that the present operation is recovering mica from a new pegmatite discovered three months ago; consequently, the two alternative proposals presented in this memorandum differ from the exploration proposed by the applicant. I might add that the new pegmatite is already a major producer and well worth detailed mapping as the mining operation is continued.

Recommendations

I recommend that the application be approved. I further recommend that the exploration consist of surface drilling of the East and West pegmatites for their extensions 120 feet below the No. 5 level; and surface drilling of the new pegmatite for its extension to the No. 5 level, and also 120 feet below the No. 5 level. In addition I recommend underground exploration of the New pegmatite from the No. 5 level if drilling shows that the pegmatite reaches that level.

Location and Accessibility

The Muscovite mine is in the center of section 22, T. 41 N., R. 2 W., Latah County, Idaho. The workings lie between altitudes 4,181 and 4,460 feet, at the crest of a ridge. The mine is about six miles north of Deary, Idaho and can be reached by graveled roads. Although there is a heavy snowfall in the area, between 3 and 6 feet depending on the year, these roads can be kept open by bulldozer. It is impossible, however, to operate the open pit in the winter and it is of great importance that underground operations begin as quickly as possible. The rifting and triming shop is adjacent to the railroad in Deary. The details of ownership are covered in the application.

Competence of Applicant and Operating Personel

The company was formed, to operate the property as a producer of ground mica, about 2 years ago. Nothing is known about the competency of the officers of the company. The Resident Engineer, Mr. Albert Smith, is a recent Geological Engineering graduate from the University of Idaho, and this is his first experience with pegmatite mining. His company has sent him to the New Mexico and North Carolina pegmatite districts where he visited various operations. He seems to be running a competent operation.

Description of Property

Mining at present is entirely an open pit operation. The present pit is about 350 feet long and about 200 feet wide. All production is from the New pegmatite. Past operations went underground on the East and West pegmatites. All stopes and levels except the east-west crosscut of the No. 5 level are now inaccessible. The geology of the mine is described by Stoll. The old open pit is now unrecognizable.

The New pegmatite is shown on the accompanying map with reference to the other three pegmatites and the accessible portions of the No. 5 level.

Geology

The country rock of the pegmatites is muscovite schist that strikes roughly north and dips between 50° and 70° to the west. The pegmatites are in general concordant. The East and West pegmatites have strike lengths of 250 and 80 feet respectively and vary between 2 and 10 feet in width. According to Stoll, they are composed of closely spaced lenses complexly interlayered with schist. The pegmatites apparently have no rake. The Central pegmatite is exposed in the north end of the open pit and is the largest pegmatite so far exposed on the property.

Until the spring of 1952 the major mica production came from the East and West pegmatites. These pegmatites are unzoned and are composed essentially of albite, quartz, sheet mica, and minor amounts of tourmaline and beryl. Only minor amounts of mica have been produced from the Central pegmatite, which contains interrupted wall zones dominantly composed of quartz, albite, muscovite, and minor amounts of beryl.

New production is all from the New pegmatite that is 120 feet long with a maximum width of 30 feet. It strikes roughly north and dips to the west. The precise dip is not known but it is assumed that the dip is about 65°, parallel to the East and West pegmatites. No border zone was noticed. The wall zone is albite-quartz-muscovite-beryl pegmatite that may reach 10 feet in width on the hanging wall side of the pegmatite but is only 2 to 3 feet in width on the foot wall. The core is albite-tourmaline pegmatite that contains a few mica books. I saw the wall zone near the completion of the handcobbing phase of the mining cycle so that I could not estimate the proportions of the various minerals. A block of pegmatite at a maximum of 10 feet in width and 15 feet high and 90 feet long has produced about 278,000 pounds of cobbed mica that was sent to the rifting shop.

All mica at the property is rum colored.

The beryl content is minor and there has been no attempt to recover it although the company hopes to recover some beryl from waste when the production of ground mica is started. There is a much smaller quantity of uraninite and its various oxidation products; however, these are just mineral specimens.

Ore Reserves

There seems little reason for assuming that the New pegmatite will not extend in depth at least to the elevation of the No. 5 level as do the East and West pegmatites but the objective of the proposed exploration is to determine if this is the case, and also to determine if it goes deeper. I believe it safe to assume that the pegmatite will extend down dip at least 45 more feet. The indicated reserves based on the first 15 feet mined would be at least an additional 278,000 pounds

of cobbed mica; inferred reserves would be 556,000 pounds of cobbed mica. These are rather startling figures I will admit, and the future possibilities are even more so when you realize that the East and West pegmatites are still strong and mica-bearing on the No. 5 level.

The following tables are taken from Stoll and of course do not take into account the New pegmatite.

Table I

Inferred reserves underground, Muscovite mine

Reserve	Pegmatite(tons)	Mine-cobbed mica(lbs)
East pegmatite between 4 and 5 levels, north and south of stope 3, north of stope 4, and above sub-level 1 between stopes No. 3 and No. 4	1,000 to 4,000	60,000 to 480,000
Central pegmatite between No. 4 and No. 5 levels.	5,000 to 20,000	50,000 to 200,000
Total	6,000 to 24,000	110,000 to 680,000

Extencions of the two pegmatites below the No. 5 level are not considered. Sheet mica is exposed in the East pegmatite in the sill of the No. 5 level and there is no indication that the pegmatite is pinching out. A second portion of the proposed exploration is designed to determine if the East and West pegmatites continue to at least 120 feet below the No. 5 level

Table II

Inferred reserves in the open pit, Muscovite mine

Reserve	Pegmatite(tons)	Mine cobbed mica(lbs)	Beryl(tons)
Central pegmatite above No. 4 level	50,000	150,000	45
East and West pegmatites above No. 4 level includ- old stope fill.	5,000	50,000 to 300,000	25-75
Altered schist above No. 4 level.	35,000		35
Total	90,000	200,000 to 450,000	105 to 155

The dump tonnage is, according to Stoll, roughly 100,000 tons containing no sheet mica but including possibly 50 to 300 tons of beryl. In addition Stoll estimates that the East pegmatite averages 0.2 percent beryl; the West pegmatite averages about 2.0 percent beryl.

Past Production

Production figures for the war years and earlier are available in Stoll.

The following production figures for the New pegmatite (May 6, 1952 to August 12, 1952) are from the company records. 278,000 pounds of mine-cobbed mica was sent to the rifting plant. 120,000 pounds of mica have been rifted. 61,166 pounds of mica were sent to trimmers. 6,990 pounds of full-trimmed mica have been prepared. According to Mr. Smith 35 percent of the full-trimmed mica grades "good stained or better", 20 percent grades "stained", and 45 percent grades "heavy stained". None of the mica is air stained, vegetable stained, or mineral stained; the down grading is due to imperfections in flatness. The break down as to the percentage of sizes of the full-trimmed mica was not available but could be procured.

Proposed Exploration

The applicants original proposal included rehabilitating the east-west crosscut of the No. 5 level, winzing down the south end of the East pegmatite to a point 120 feet below the No. 5 level, drifting on the East pegmatite and crosscutting to the West pegmatite. This proposal was discussed with Mr. Smith and we both agreed that alternative proposals should be prepared.

The first alternative suggested is simply drilling 4 diamond drill holes. These holes are shown on the accompanying map. The objective of DDH 1 would be the New pegmatite at the No. 5 level; the objective of DDH 2 would be the New pegmatite 120 feet below the No. 5 level; the objective of drill holes 3 and 4 would be the East pegmatite 120 feet below the No. 5 level, they would also cut the West pegmatite at a slightly higher elevation.

The second alternative exploration would call for the diamond drilling program already mentioned, and drifting and crosscutting from the No. 5 level to the New pegmatite when it is located by the drilling.

The mica content of the East and West pegmatites was so consistent in the upper levels, according to Stoll, that I believe their future exploration should be limited to simply determining their downward extensions. If they do extend 120 feet below the No. 5 level inferred reserves could be immediately calculated. The mica content of the New pegmatite cannot be predicted, however, because only about 15 feet down the dip has been explored or mined. Diamond drilling will determine if

the pegmatite extends down to, or below, the No. 5 level. The pegmatite should then be opened up on the No. 5 level in order to determine the mica content. An underground opening would then permit the calculation of indicated reserves for an up dip length of about 200 feet, and inferred reserves over a down dip length of about 130 feet.

Summary of the work to be done for the second alternative:

1. Drill about 1290 feet of AX diamond drill hole. DDH-1 - collar elev. 4300', bearing N. 64° E., dip 23°, length 294'. DDH-2 - collar elev. 4300', bearing N. 64° E., dip 50°, length 313'. DDH-3 - collar elev. 4300', bearing N. 80° E., dip 53°, length 345'. DDH-4 - collar elev. 4300', bearing S. 85° E., dip 53°, length 338'.

2. Drift about 355 feet, crosscut 35 feet. Total underground work about 400 feet.

Verne C. Fryklund

cc: DMEA(4)
USBM(2)
USGS(SRO)
Fryklund

TELEPHONE
DEARY, 40

AVON MINING DISTRICT
DEARY, IDAHO

Idaho Beryllium and Mica Corporation

PRODUCERS OF BERYL AND MICA PRODUCTS

P. O. Box 176
Deary, Idaho

September 15, 1952

DMEA
South 157 Howard St.
Spokane, Washington

Dear Sirs:

On Saturday, September 13, a diamond drill hole contacted the new N.W. Pegmatite body at a depth of 210 feet below existing surface workings or 65 feet below the now existing No. 5 level. The vein was hit at its southern extremity which could be seen by the wide alteration zone that was drilled through. The core recovery was about 50% and this showed 10" of mica and beryl pegmatite, and 43" of alteration zone. Pieces of beryl and mica could be seen in the core that was recovered. The wide alteration zone would indicate that the diamond drill hole was near the southern end of the vein as this same alteration occurs on the surface.

We feel that the diamond drill hole should expedite the granting of D.M.E.A. aid to find the extent of the vein by crosscutting from the No. 5 level adit.

Yours truly,

Albert K. Smith Jr.

Mr. Albert K. Smith, Jr.
Engr.

AKS:eln

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 400

AUG 18 1952

Memorandum

To: Stanley M. Walker, Mining Requirements Division, DMEA

From: Lawrence G. Houk, Chief, Nonmetallic Minerals Division, DMEA

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corporation
Latah County, Idaho

In reply to your telephone request for information on the Idaho Beryllium and Mica Corporation's operations at Dreary, Idaho, we have the following information in our files:

A loan was granted to the Idaho Beryllium and Mica Corporation by the Reconstruction Finance Corporation, 2/21/52, for $125,000. In the latter part of May, the Corporation discovered a mica pegmatite and have removed about 117,115 pounds of cobbed mica by open pit mining. They have sheeted out 3,687 pounds of fully trimmed mica, and have on hand 52 tons of hand-cobbed mica. The Corporation now employs 47 cutters to sheet their mica which is of excellent quality. They anticipate increasing the number of cutters, after they have sold some of the mica on hand. I am informed that they sold in the neighborhood of 2,100 pounds of sheeted mica for approximately $13 per pound. This operation promises to be one of the largest producers of strategic mica in the United States.

In addition to the above operation, the Idaho Beryllium Corporation desires to receive exploration assistance from the Defense Minerals Exploration Administration in the amount of $49,181 to increase their reserves of mica. Their present open pit mining operation consists of a fifteen man crew. The hand-cobbed mica is taken to Dreary, Idaho, by truck where it is processed by 8 rifters, 32 trimmers, 4 graders, and 3 resetters, a total of 47.

It is understood that an extra shift will be added at Dreary in the near future, which would increase the processing force by 47 to a total of 94. This, in addition to the present pit crew, would make 109.

If the proposed DMEA exploration program is approved anywhere from ten to fifty more men might be required, depending on the number of shifts worked and the scope of the program.

It is believed that the request for obtaining additional housing in the Dreary, Idaho, area is justified.

JAH.
8-18-52

LGHouk:gad 8/15/52

Copy to: Admin. Reading File
Docket File
Mr. Houk
~~Mr. Dietrich, 3526~~
~~Mr. Norton, G-232 GSA Bldg.~~

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

Hearne
Houk

AUG 5 1952

Mr. A. K. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 137 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corp.
Latah County, Idaho

Dear Mr. Weissenborn:

A field team report is requested with regard to the above application.

The proposal as outlined by the applicant is in part development and preparation for mining, and as such should be eliminated from any program.

The cost of rehabilitating the adit appears high, although an inspection of its condition may justify it. It would also seem that for an exploration project of eleven months duration, used or re-conditioned, or rental, equipment could be satisfactorily substituted for most of the new items whose purchase is proposed. The 6x12 winze is too large for an exploratory opening. The unit costs of the winze and drifts appear high.

The known mica-beryl reserves should be compared to the present or proposed rate of mining in order to determine the chances of repayment of exploration assistance.

Any suggestions from the field team as to an alternate and more reasonable program for exploring the lower levels, possibly diamond drilling, would be welcome.

Should a program be recommended it is suggested repayment of exploration assistance be from the entire production. Kindly discuss this with the applicant. The subordination of R.F.C. mortgage will be obtained by this office.

Sincerely yours,

(signed) FRANK E. JOHNSON (GHB)

F.H. 8-5-52

Chairman, Operating Committee
Defense Minerals Exploration Administration

Approved:

J. H. Hedges (GHB)
Member, Bureau of Mines

D. M. Lemmon (GHB)
Member, Geological Survey

LFHearne:gad 8/4/52
Copy to: Adminl Reading File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Hearne
Hedges
Gutman

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

AUG 5 1952

Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

Subject: Docket No. DMEA-2607 - Mica
Idaho Beryllium and Mica Corp.
Latah County, Idaho

Gentlemen:

Your application is being referred to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 8, Washington, for further information.

Sincerely yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration Administration

J.H.
8-5-52

LFHearne:gad 8/4/52

Copy to: Admin. Reading File
Operating Committee (2)
Field Team, Region II (2)
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

July 30, 1952

Memorandum

To: L. G. Houk, Chief
Nonmetallics Division, DMEA

From: A. J. Kauffman, Jr.
Rare and Precious Metals Branch

Subject: DMEA Docket 2607, Idaho Beryllium and Mica Corporation, Deary, Idaho.

It is the recommendation of this office that the subject property be examined by the Field Team. The record of the deposit does not seem to warrant extensive operations for beryl alone; however, other minerals, in particular strategic mica, may be discovered.

A. J. Kauffman, Jr.

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 30 1952

DMEA 2607
Idaho Beryllium & Mica Corp
Muscovite Mine
$49,181

Resume
July 17, 1952

The muscovite mine is the largest producer in Idaho and one of the largest in the U. S. It has been worked intermittently since 1888. More than 1,000 tons of crude mica have been shipped, most of it coming from the East Pegmatite, which extends down to and below the No. 5 level 280 feet on the dip and has a strike length of 260 feet, altho it is not continuous over this length. On the No. 5 Level it is exposed at the foot of stopes No. 3 and No. 4 over strike lengths of 75 ft. and 80 ft. respectively but is not continuous between the two stopes. Its thickness ranges from 1 foot to 15 feet. It is a series of individual closely spaced pegmatite bodies of widely different size and shape, separated by irregular horses of altered schist. Muscovite occurs throughout and forms a considerable, although varying portion of the pegmatite

The West pegmatite overlies the East pegmatite with a distance of 15 to 40 ft. between them. On the No. 5 level it is 129 feet long but is cut off by a fault at its south end. Its thickness

varies from 1 foot to 13 feet. It contains less sheet mica but more beryl than the East pegmatite.

Stoll in U.S.G.S. Professional Paper 229, Page 47, Table 21, reserve calculation, assumes that the East pegmatite extends fifty feet below stopes 3 and 4 (No. 5 level) and that the West pegmatite extends 50 feet below stopes 1 and 2, No. 5 level, and says that they may extend downward farther than that.

The applicant proposes to muck out and re-timber No. 5 adit and lay new track, power and air lines to its intersection with the East pegmatite at a distance of 490 feet from the portal. A station would then be built and a 6x12 winze, inclined at 65°, would be sunk under Stope No. 4 a depth of 120 feet, the last twenty feet being used for a loading pocket and sump. At 100 ft. it is proposed to start a drift North along the East pegmatite to find its extent and also to cut across to the West pegmatite. 300 ft. of driving and cross-cutting is allowed for this work.

It seems clear that any work done to block out ore between

No. 5 and No. 6 levels should be regarded as development rather than exploration. Both the East and West pegmatites have already been proven down the dip to the No. 5 level, and any verification of their existence 100 feet deeper could not be regarded as a new discovery.

A 6 x 12 winze with provision for a loading pocket at the bottom is in itself a preparation for mining rather than an exploratory opening. Furthermore, sufficient information as to the existence and character of the West pegmatite could be obtained by drilling it from the East pegmatite rather than cross-cutting. The value of the inclined winze as an exploratory opening, if any, would be nullified if the pegmatite should change its dip as it went down

Cost Data Analysis

120' of winze @ $120 $14,400
This is an overall contract price. Without any knowledge of the character of the ground, water flow and other factors it appears to be within reason for a 6x12 timbered, inclined winze

300' of drifts and cross-cuts @ $40 $12,000
This is also an overall contract price. No information is given as to the cross-sectional dimensions.
If it was held to 5x7, the price seems high

Operating materials for rehabilitation of adit and haulage drift; pipe, ties, fish plates, power $660

Operating equipt to be purchased
Compressor, skip, hoist, sumps, jack legs. $12,500
One year's rental of these items would be only about 10% less than the purchase price

Retimbering existing adit + drift
200' @ $10.00 per ft. $2,000
Labor for 50 shifts $2,200
Depends on condition of adit before rehabilitation

Forward to next page $43,760

Forward from preceding page	$43,760
Accumulating, Workmen's Compensation Insurance, Payroll Taxes	950
Contingencies (10%)	4,471
Total	$49,181

Recapitulation

Contract Work	$26,400
Operating Materials & Supplies	660
Operating Equipment	12,500
Rehabilitation	4,200
Miscellaneous	950
Contingencies	4,471
	$49,181

RECONSTRUCTION FINANCE CORPORATION

WASHINGTON 25, D. C.

July 16, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 17 1952

Mr. Lawrence G. Houk
Chief
Non-metallics Division
Defense Minerals Exploration Administration
Room 4637 South Interior Building
Washington 25, D. C.

Re: Idaho Beryllium & Mica Corp.
Deary, Idaho

Dear Mr. Houk:

In accordance with your telephoned request of this morning, we are enclosing herewith a copy of a Progress Report of July 9, 1952, prepared by our Spokane Agency, relative to the captioned project.

We hope that you will find the report helpful in considering the recent application filed by Borrower for an exploration loan.

Yours very truly,

A. E. DeCelles

A. E. DeCelles
Mining Engineer

Enclosure

EXAMINER'S REPORT

Borrower: Idaho Beryllium and Mica Corporation
Deary, Idaho

Business: Mining Mica and Beryllium

Participation: None

Examiner: J. H. Brooks

Date: July 9, 1952

Loan No.: DPA-720,357
Date Approved: 2-21-52
Amount: $125,000.00
Disbursed: 102,687.64
Cancelled: None
Unpaid Balance: 102,687.64
Repayment Schedule: $3,000.00 monthly beginning 10-7-52

Maturity: 4-7-56
Delinquency: None

Collateral: (Include Guaranty or Guarantors)
Lands, buildings, machinery and equipment.

Cause for Report:

Washington request for a report on progress and status of loan.

Examiner's Comments and Recommendations:

(Comment on Collateral, Guarantors, Management, Earnings, Financial Condition and Taxes) (Recommend action to be taken, where applicable)

To date there has been disbursed on the captioned loan $102,687.64. Of this amount $62,687.64 has been disbursed for machinery and equipment and $40,000 for operating expenses.

The loan authorization originally provided not more than $100,000 for machinery and equipment and not more than $25,000 for operating expenses. On June 18, 1952, the use of funds was modified with the concurrence of Mining Engineer Howard P. Sherman to permit the borrower to use not in excess of $25,000 of the machinery and equipment allocation for operating expenses. To date $15,000 of such funds has been drawn down. In consideration of this modification the borrower executed an agreement whereby it covenanted that not less than $25,000 of the sales proceeds of sheet mica nad hand cobbed mica would be used for purchase of machinery and equipment and in the event sales in that amount had not been consummated by the time the remaining machinery and equipment was available, the directors of the corporation would inject $25,000 of their personal funds for that purpose and the borrower would hypothecate its inventory of sheet and cobbed mica and accounts receivable as additional collateral for the loan.

Borrower has purchased virtually all the necessary machinery and equipment with the exception of the grinding mill for ground mica, the smaller pilot mill for flour mica and the drying equipment. The Washington Machinery Company of this city is manufacturing both mills, the large one for a price of $12,000 and the pilot mill for a price of $1,200. Delivery is expected next month. At this time arrangements have not been completed for their drier and both its price and delivery date are problematical. The borrower, however, hopes to secure drying equipment for in the neighborhood of $25,000.

The change in the use of funds above referred to was prompted by the uncertain delivery dates on the remaining equipment and the unexpected discovery of a new mica vein of such quantity and quality that the company has been able to go into immediate production of sheet mica. Since the discovery of the vein the latter part of May, the borrower has taken out 117,115 pounds of cobbed mica by open pit mining and now has on hand 3,687 pounds of sheet mica and 52 tons of hand cobbed mica. The operation was inspected two weeks ago by E. F. Stenzel of General Services Administration who will be in charge of the Custer, South Dakota, mica depot. He has advised that the quality of sheet mica is high and the borrower's cutting technique more than adequate.

Comments: (Continued)

A conservative estimate of the value of the sheet mica on hand is $36,000 and the borrower values the hand cobbed mica at the going rate of $600 a ton or $31,200. The GSA has advised the borrower that the Custer depot will be opened around the middle of July and that the sheet mica on hand will be inspected for delivery shortly thereafter. It is understood that GSA is trying to arrange for an inspector to be located permanently at the borrower's plant. The company is now employing 47 cutters and will step that up when they start to realize on the mica now cut.

It is to be noted that while the present program varies from that originally contemplated, it will materially enhance the borrower's prospects for success and will provide a considerable quantity of scrap for ground and flour mica when the remaining machinery is delivered and installed. The company's management, though inexperienced, is aggressive and their technologist, a recent mining school graduate, is thought highly of by the local representatives of the Bureau of Mines and Geological Survey.

/s/ J. H. Brooks
J. H. Brooks, Examiner

COPY

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

July 16, 1952

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: J. J. Norton, U. S. Geological Survey

Subject: Application DMEA-2607 from the Idaho Beryllium and Mica Corporation for a $49,181 grant to explore the Muscovite mine, Latah County, Idaho.

Paul Weis' memorandum dated July 16, 1952, expresses our opinions on the Idaho Beryllium and Mica Corporation's application DMEA-2607 for exploration costing $49,181 at the Muscovite mine, Latah County, Idaho. I am writing this memorandum, however, to express my own rather strong opinions on this project so that you will have a written statement of my views for whatever use they may be to you while I am away from Washington.

At the time this company asked for the $125,000 loan to mine their dump for scrap mica and beryl, all persons concerned accepted the Geological Survey's opinions on reserves and other geologic matters. This deposit has been thoroughly studied, and the large mass of data available indicated to me that a $125,000 loan for reworking the dump would be too large. Furthermore, I was skeptical of the likelihood that an appreciable quantity of the beryl in the dump would be recovered, and this beryl was DMPA's justification for the loan. In addition, various persons had expressed doubt about the adequacy of the management, but later there apparently was great improvement in the management. These matters, however, were quite outside my field of responsibility, and my opinions never became a matter of record, although they were widely known.

The economic feasibility of this operation probably could be improved by concentrating on sheet mica, and expending less effort on working the dump for scrap mica and beryl. Evidently the operators also incline toward this opinion now, although their DMPA loan is for working the dump. Soon, however, the mill probably will be built, and more work may be done on the dump.

Regardless of whether or not this company mines the dump or mines pegmatite, I still think that there is only a small chance that the loan can be repaid. Theoretically, perhaps, this should have no influence on the question of whether or not DMEA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUL 17 1952

should assist this company. If, however, DMEA makes an exploration grant, it could have the appearance of throwing good money after bad.

Under these circumstances, I question the desirability of considering an exploration application for work on this property until the applicant has demonstrated by his performance on the DMPA loan that he is worthy of further Government assistance.

J. J. Norton

J. J. Norton

Mr. Otomb 2/24/52

Subj: WMSA - 2607
Idaho Bd & Mtce Co

A justification statement giving reasons and recommendations for waiving subordination agreement and accepting only operation guarantee should be prepared. Also, reason why changes in cost estimates by Jud Bears have been changed.

The letter to the Judge Bears should refer to your telephone conversation with Washington and agreement as to preparation of draft letter, concurrent work, etc.

However, for action to avoid delay the contract is being considered by the Gov. Com.

JL

Give me a typed copy of this

Docket No. DMEA-2607 - Mica
Idaho Beryllium & Mica Corp.

A justification statement giving reasons, and recommendation for waiving subordination agreement and accepting only operator's guarantee should be prepared. Also, reasons why changes in cost estimates by Field Team have been changed.

The letter to the Field Team should refer to your telephone conversation with Weissenborn and agreement as to number of drill holes, concurrent work, etc.

However, in order to avoid delay the contract is being considered by the Operating Committee.

F.E.J.

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

July 16, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2607 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: P. L. Weis, U. S. Geological Survey
Applicant: Idaho Beryllium and Mica Corporation.
Name of property: Muscovite Mica Mine.
Location of property: Latah County, Idaho.
Estimated cost of project: $49,181.
Summary of applicant's proposal: Sink a 6-foot by 12-foot shaft downdip on a pegmatite for 120 feet, and extend 300 feet of drifts from the shaft.
Sources of information on applicant's property:
(1) Stoll, W. C. (1950), Mica and beryl pegmatites in Idaho and Montana: U. S. Geological Survey Prof. Paper 229.
(2) Brooks, J. H., R.F.C. Progress Report, July 9, 1952.
Comments:
(1) The applicant requests an exploration loan, in spite of the fact that this is geologically one of the best-known pegmatites in the United States. Stoll points out in his report that known workings have been on 5 different levels, and cover a vertical range of more than 300 feet. Workings include at least 2,493 feet of horizontal drifts and adits that have been examined and described at one time or another. Approximately 1,900 feet of drifts and adits have been mapped recently. At least four large stopes are accessible at present. An unknown amount of inclines, raises, and shafts have also been excavated. Surface workings include 3 open pits, the largest at least 300 feet long, 120 feet wide and 120 feet deep. The U. S. Bureau of Mines has trenched and sampled the property. Detailed production figures and detailed cost figures, covering a substantial proportion of the past production have been published. Detailed figures on reserves, including tonnage and grade of rock available for open pit and underground mining, have also been published, including all favorable parts of the pegmatite above the lowest working. Reserve and grade figures are also available to a lesser extent for a considerable portion of rock below the present workings. Indicated reserves include 8,262 tons of pegmatite and inferred reserves are estimated as 6,000 to 24,000 tons. The

proposed exploration could be expected to add approximately 9,500 tons of rock in the East pegmatite (the pegmatite that has proved most productive in the past). Of this 9,500 tons, 1,920 tons is already included in published reserve figures.

(2) The applicant's proposal includes sinking a 6-foot by 12-foot shaft, and the construction of 300 feet of drifts and crosscuts. This clearly comes under the heading of development work, rather than exploration. The applicant also requests $12,400 for equipment that has no place in exploration work. The total amount requested is extravagant.

(3) Even though the applicant's proposal is clearly unacceptable, a suitable exploration program probably could be prepared. Under present circumstances, however, we doubt that it would be wise to approve an exploration grant. The applicant recently received a $125,000 DMPA loan--an extremely large sum for this deposit--and until the Government knows how well the operator performs under this loan, the advisability of additional Government assistance is open to question.

(4) Brooks states in his progress report to R.F.C. that the applicant has spent $102,687.64 of a $125,000 development loan originally made to provide for production of beryl. The report states that the total mica production since the loan was approved is valued at $67,200. The report mentions absolutely no production of beryl.

RECOMMENDATION: Denial.

Paul L. Weis

Paul L. Weis

EXPLORATION

Subject: DMEA-2607
Re: Exploration Loan
Muscovite Mine
July 7,1952

Mr. C. V. Peckham, President
Idaho Beryllium and Mica Corporation
P. O. Box 176
Deary, Idaho

My dear Mr. Peckham:

This will acknowledge receipt of your application dated June 27, 1952, for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2607 and referred to the Non-Metallic Minerals Division.

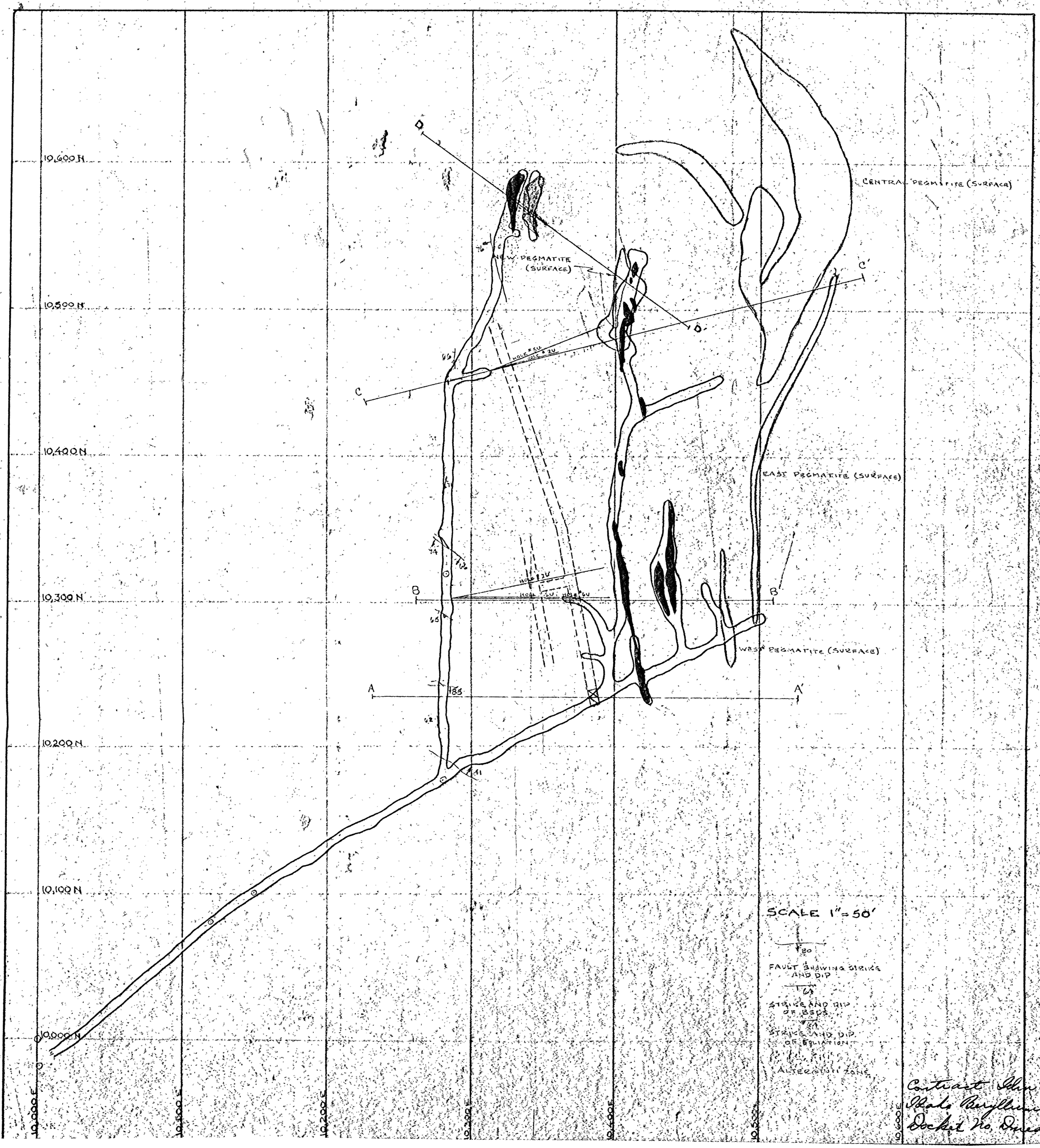
Kindly refer to DMEA-2607 in any future correspondence relating to your application.

Sincerely yours,

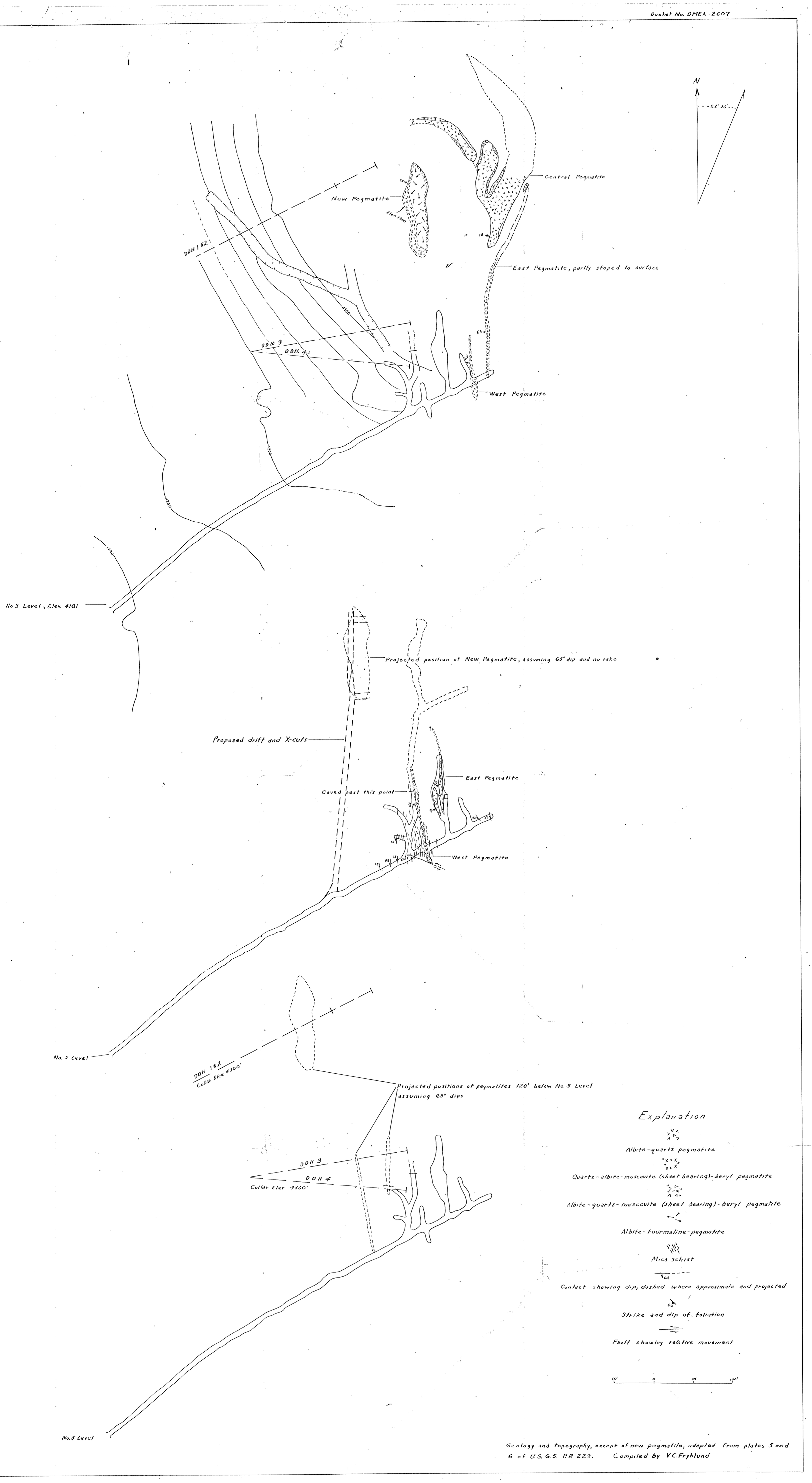
ROBERT E. ADAMS

Robert E. Adams
Administrative Officer

7862

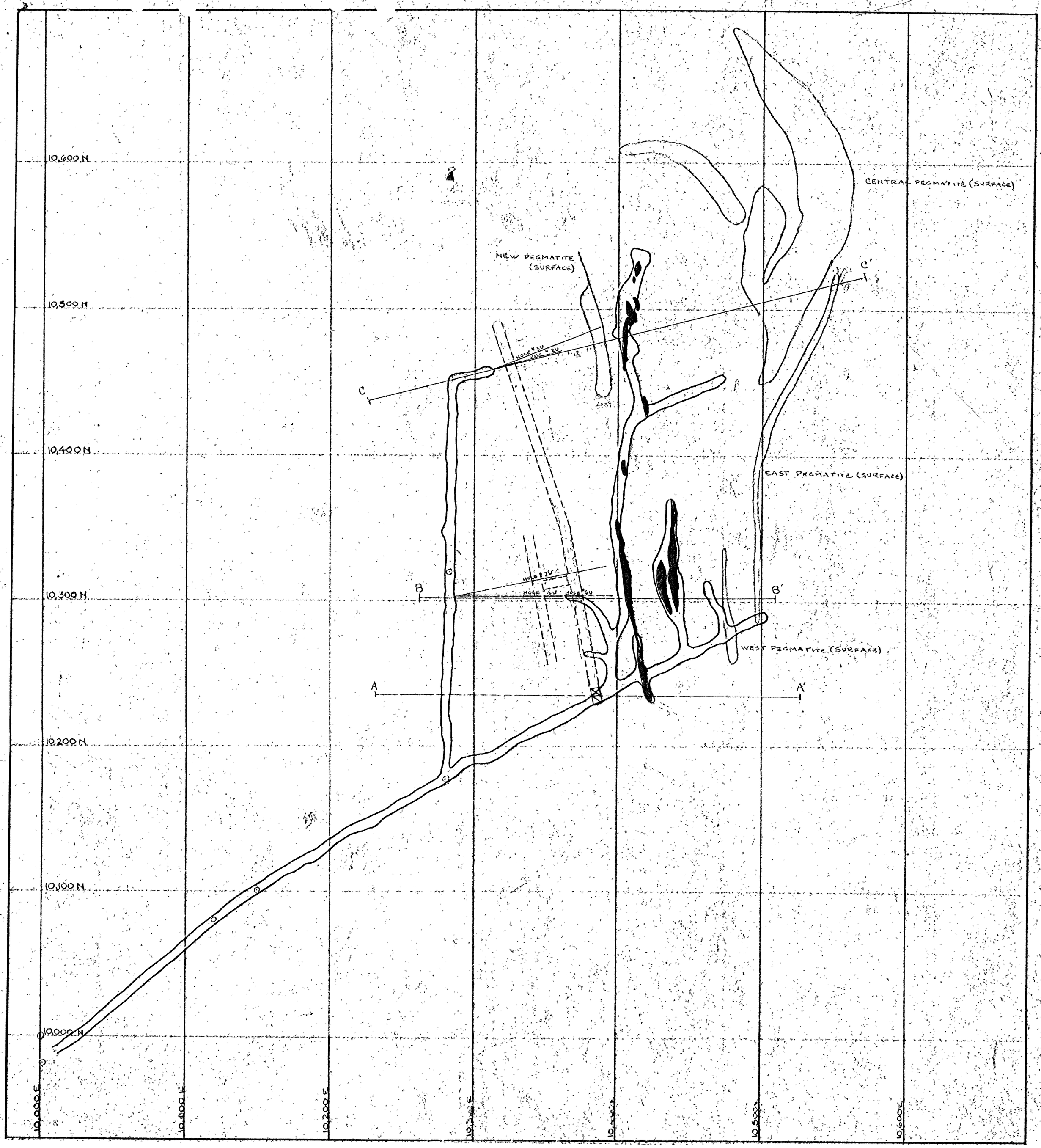


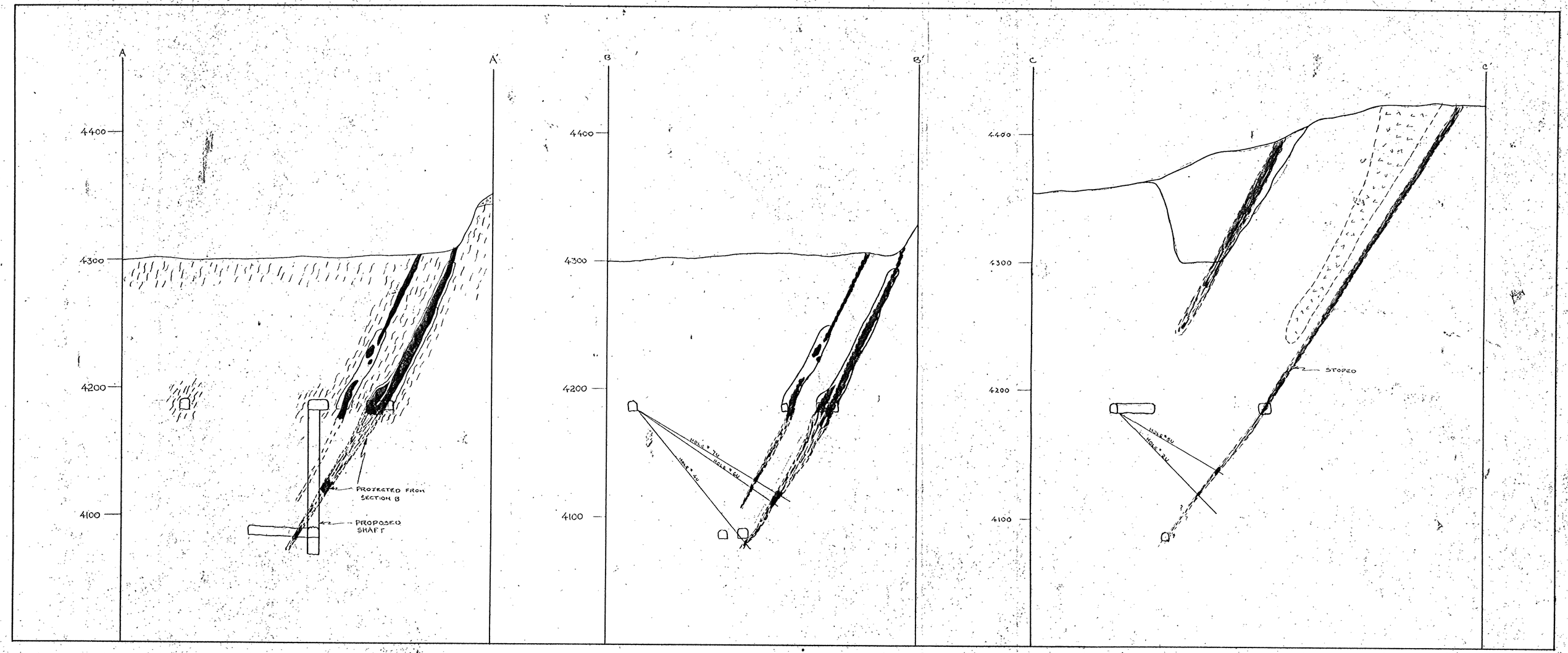
Contract Shu-E 4
Shale Beryllium & Mi
Docket No. Dnea 26

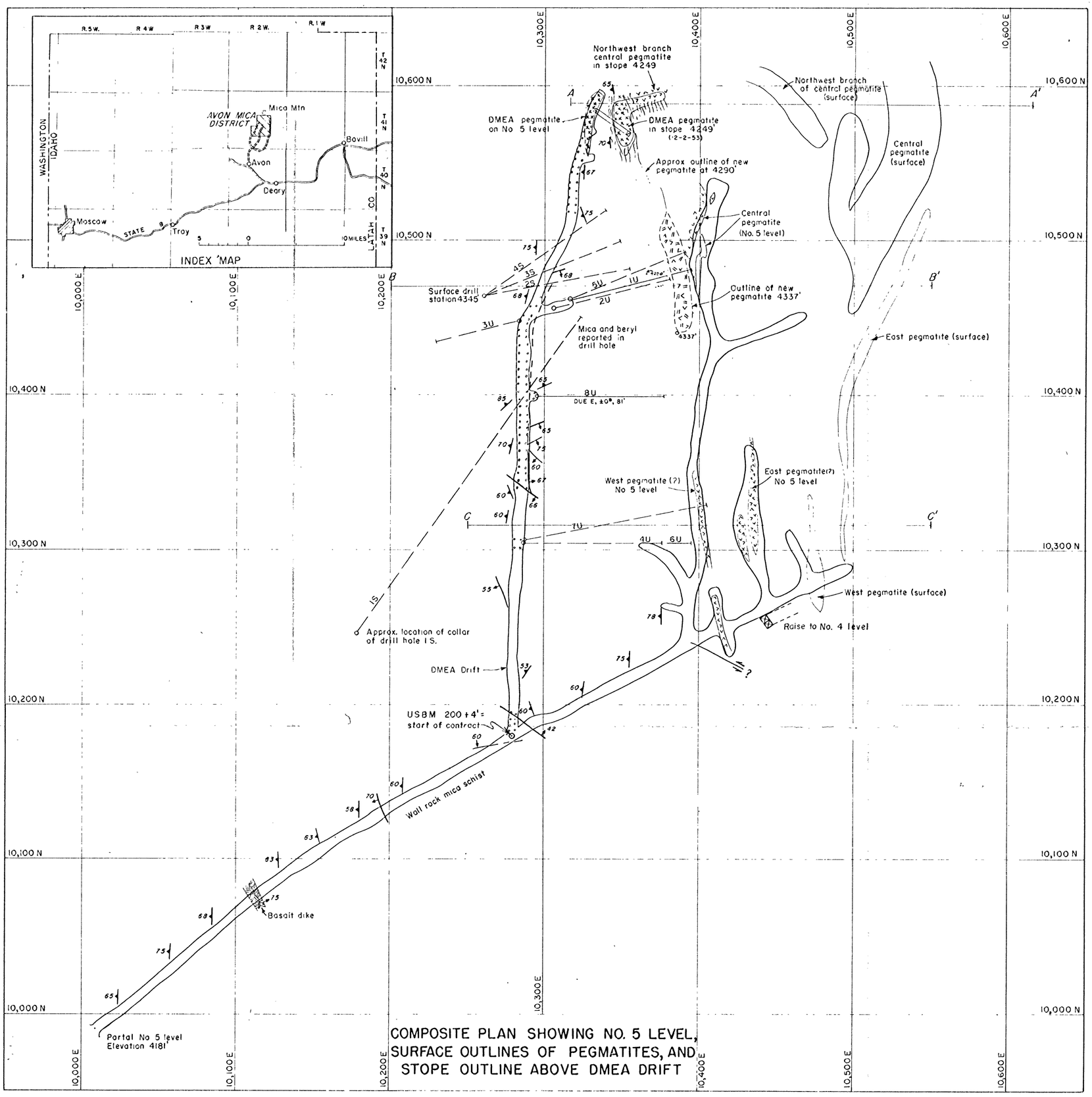


Geology and topography, except of new pegmatite, adapted from plates 5 and 6 of U.S.G.S. P.P. 229. Compiled by V.C. Fryklund

Proposed Exploration, Muscovite Mine, Latah County, Idaho


10,600 N
10,500 N
10,400 N
10,300 N
10,200 N
10,100 N
10,000 N
10,000 E
10,100 E
10,200 E
10,300 E
10,400 E
10,500 E
10,600 E
CENTRAL PEGMATITE (SURFACE)
NEW PEGMATITE (SURFACE)
EAST PEGMATITE (SURFACE)
WEST PEGMATITE (SURFACE)
HOLE #5U
HOLE #2U
HOLE #3U
HOLE #4U
HOLE #6U
A
A'
B
B'
C
C'


A
A'
4400
4300
4200
4100
PROTECTED FROM SECTION B
PROPOSED SHAFT
B
B'
4400
4300
4200
4100
HOLE # 7U
HOLE # 6U
HOLE # 5U
C
C'
4400
4300
4200
4100
STOPED
HOLE # 6U
HOLE # 5U



COMPOSITE PLAN SHOWING NO. 5 LEVEL, SURFACE OUTLINES OF PEGMATITES, AND STOPE OUTLINE ABOVE DMEA DRIFT

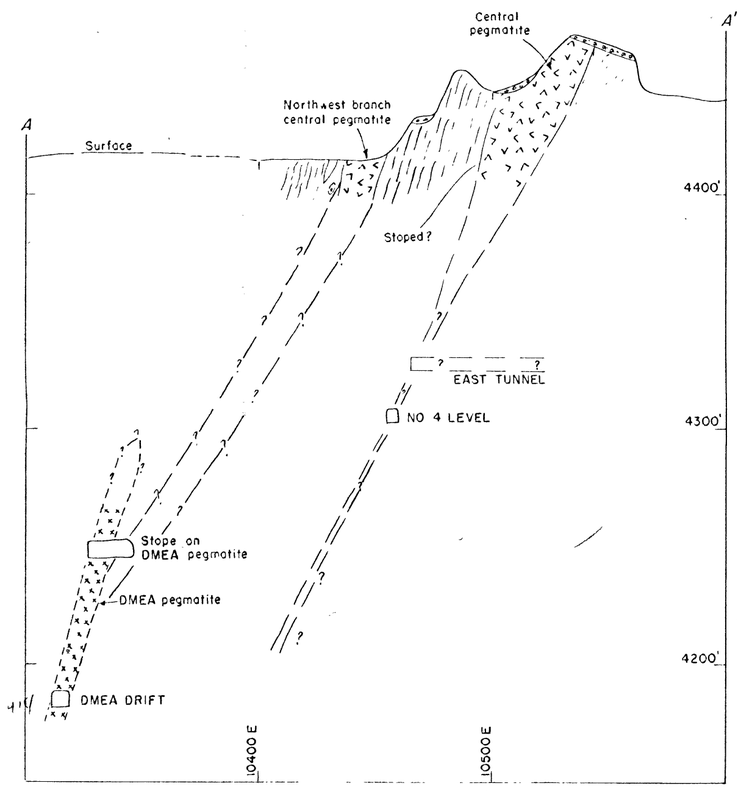
EXPLANATION

- Relatively unaltered muscovite schist (Not shown on plan map)
- Altered schist containing much black tourmaline
- East, west and central pegmatites underground (Symbol not shown on surface outlines of these pegmatites)
- Pegmatite found in DMEA drift
- New pegmatite
- Fault, showing dip
- Strike and dip of foliation
- Strike and dip of bedding
- 2S — Diamond drill hole from surface station
- 3U — Diamond drill hole from underground station
- Foot of raise
- Head of raise
- Timber along drift

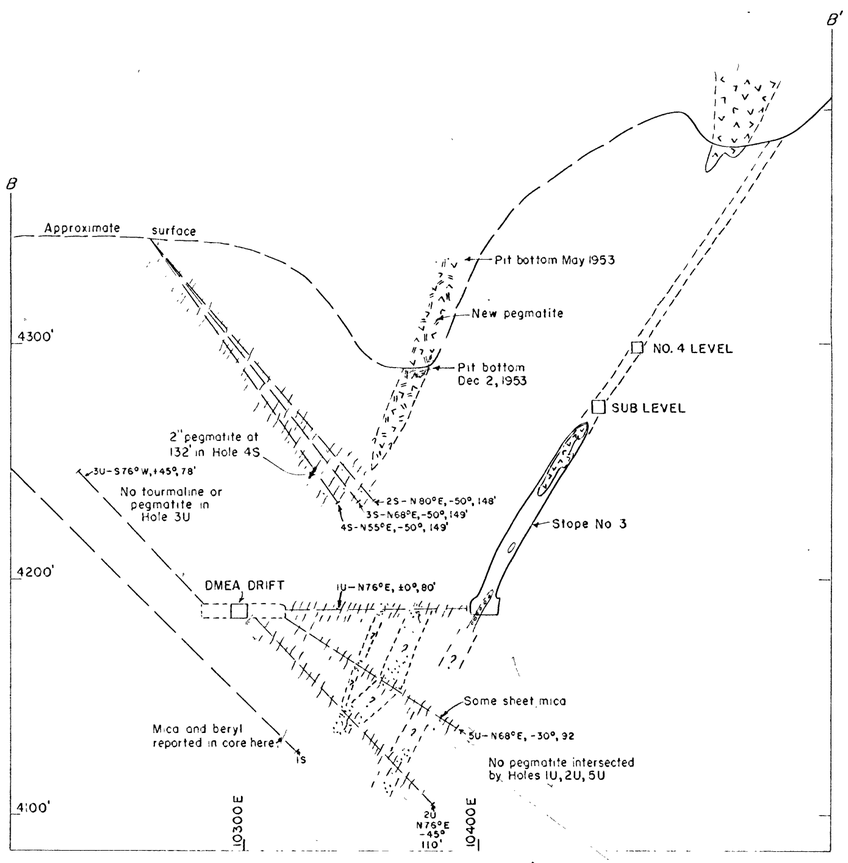
NOTE All data except DMEA Drift, diamond drill holes, and new pegmatite modified from U.S.G.S Professional Paper 229, Plates 5 and 6.

DMEA Drift, Stope, and diamond drill hole data from company records and from DMEA examiners records

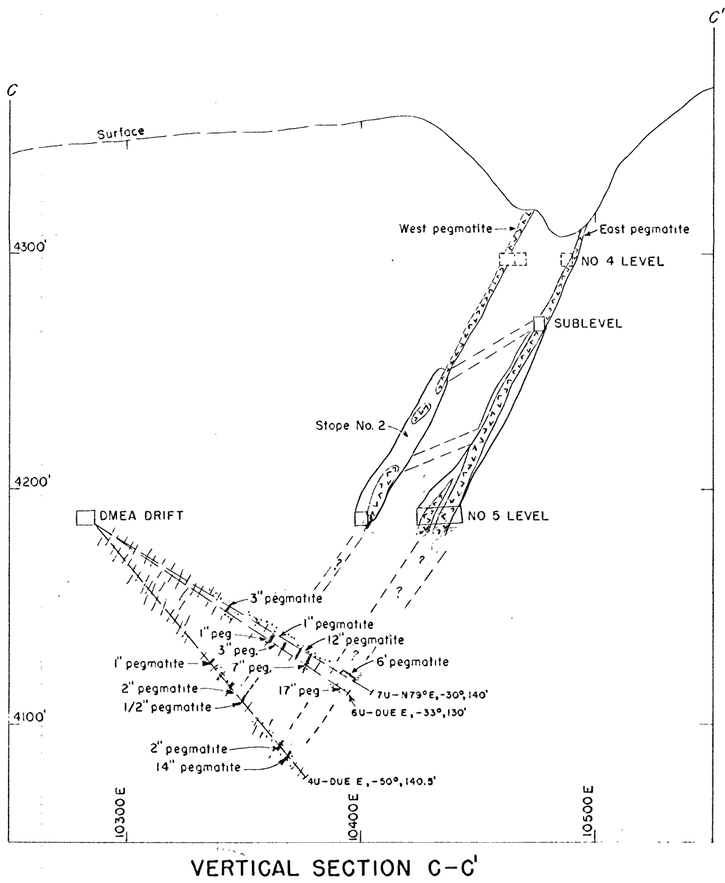
Stope showing DMEA and central (?) pegmatite from tape and compass survey by W. S. Anderson, U.S.B.M and W. P. Puffett, U.S.G.S, 12/2/53



VERTICAL SECTION A–A'
Modified from Section F–F', U.S.G.S. Professional Paper 229, Plate 6



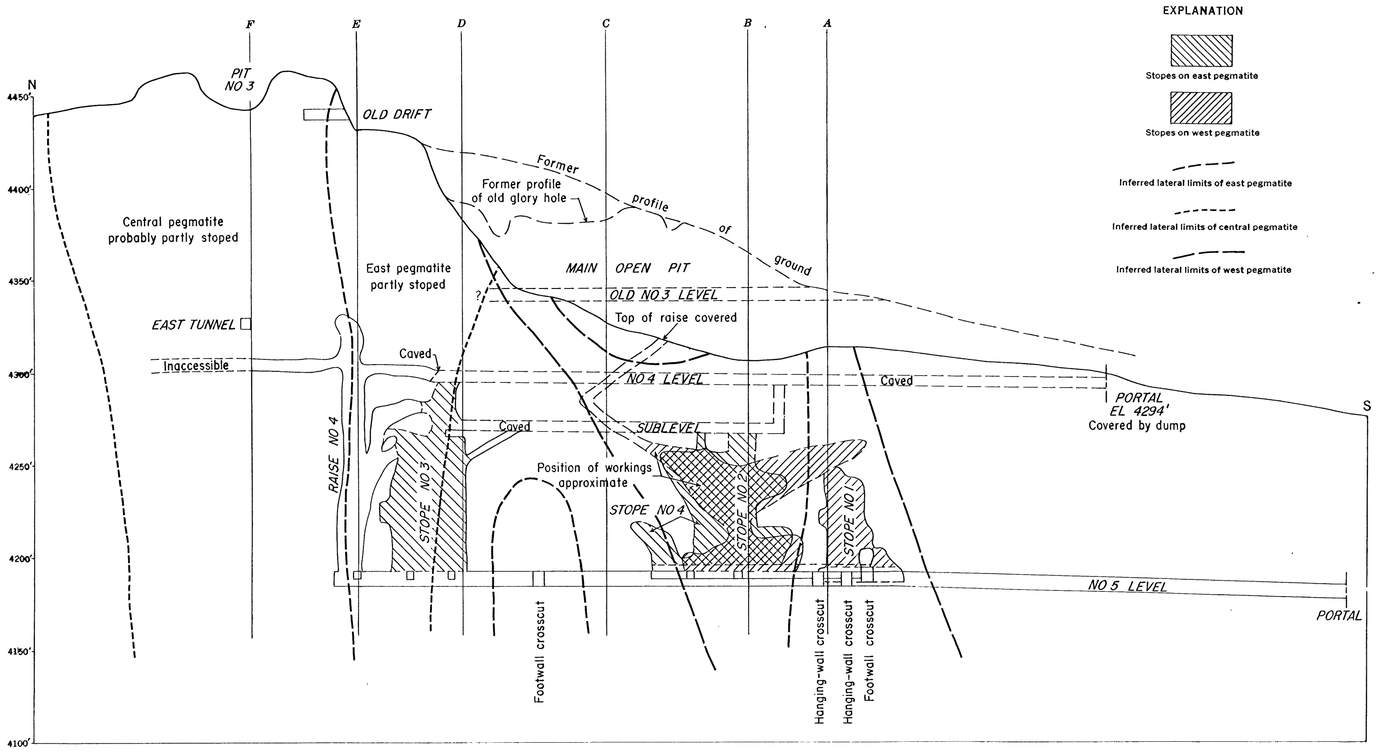
VERTICAL SECTION B–B'
Modified from Section D–D', U.S.G.S Professional Paper 229, Plate 6



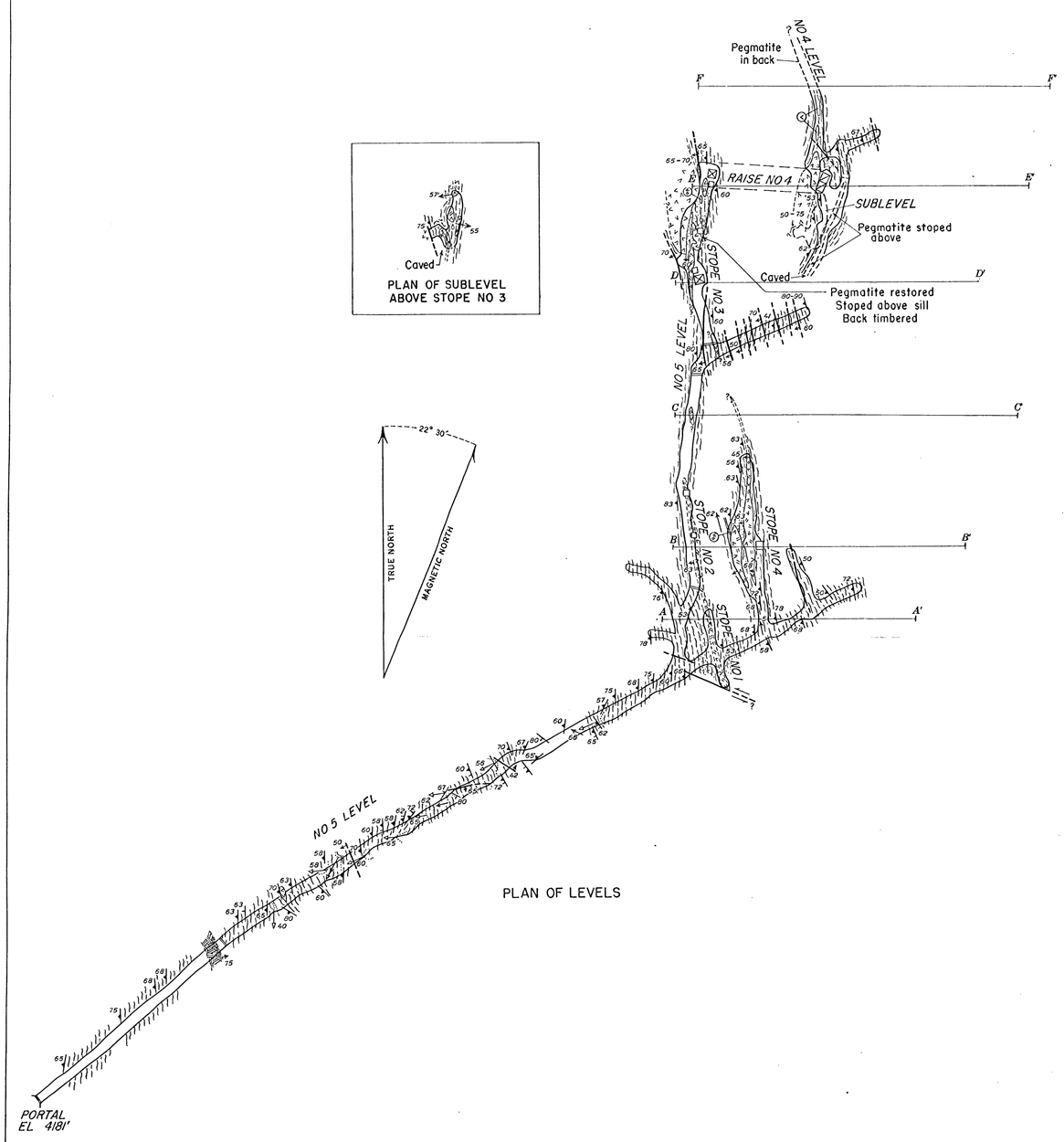
VERTICAL SECTION C–C'
Modified from Section B–B', U.S.G.S. Professional Paper 229, Plate 6

MAP AND SECTIONS OF MUSCOVITE MINE, AVON DISTRICT, SEC. 22, T. 41 N., R. 2 W., B.M., LATAH COUNTY, IDAHO

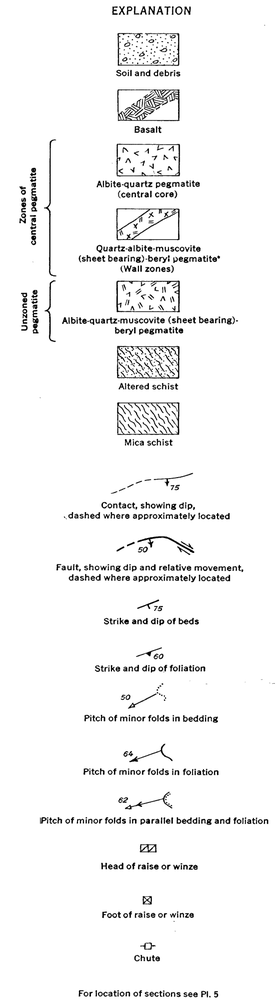
50 0 50 100 150 200 250 Feet

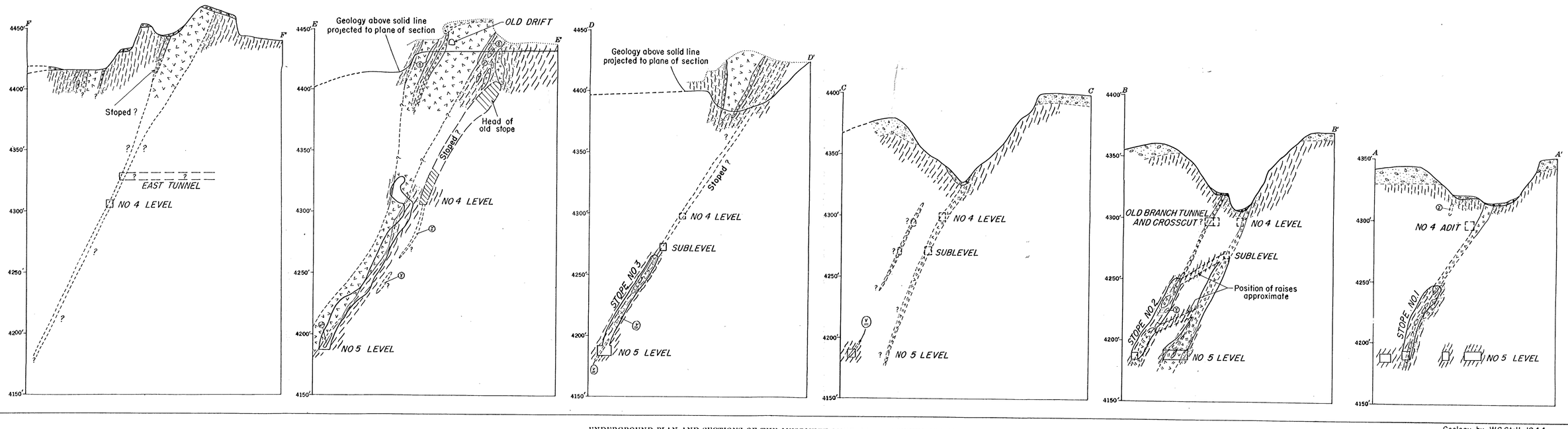


NORTH-SOUTH LONGITUDINAL VERTICAL PROJECTION OF MINE WORKINGS, SHOWING INFERRED LATERAL EXTENT OF PEGMATITES



PLAN OF LEVELS





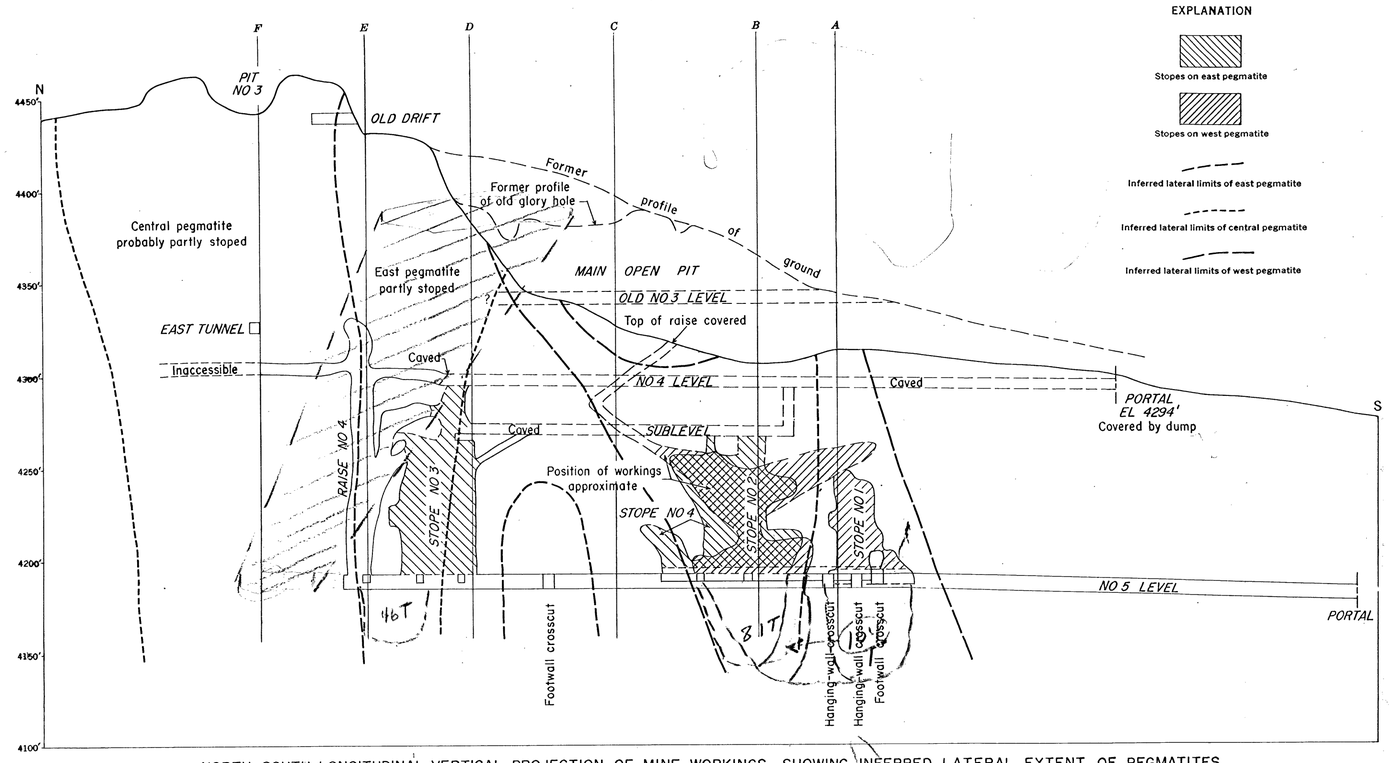
UNDERGROUND PLAN AND SECTIONS OF THE MUSCOVITE MINE, LATAH COUNTY, IDAHO.

Geology by W.C. Stoll, 1944

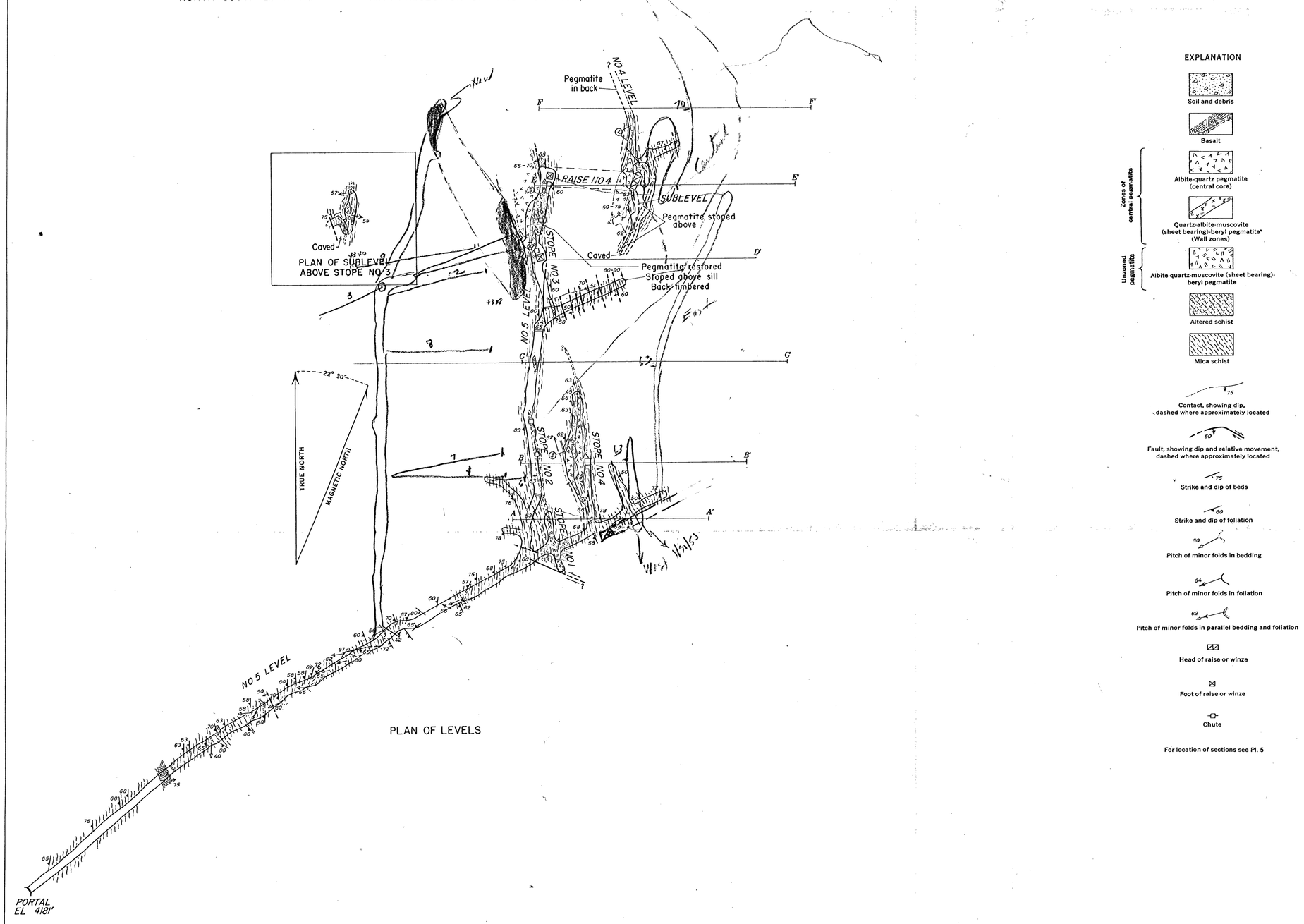
50 0 300 Feet

Datum is approximate mean sea level

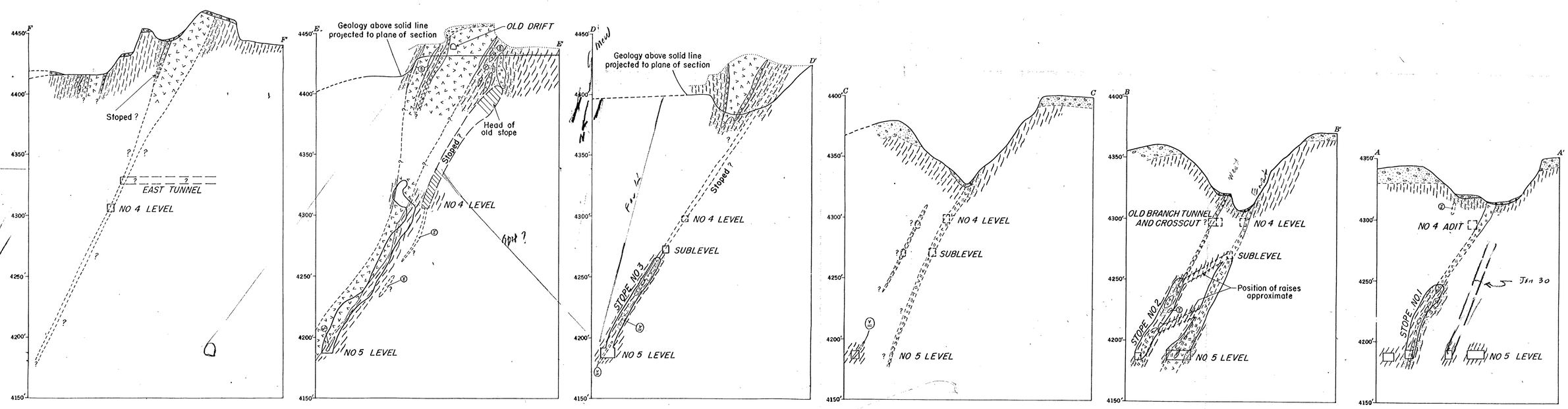
881605 O - 50 (In pocket) No. 6



NORTH-SOUTH LONGITUDINAL VERTICAL PROJECTION OF MINE WORKINGS, SHOWING INFERRED LATERAL EXTENT OF PEGMATITES



PLAN OF LEVELS



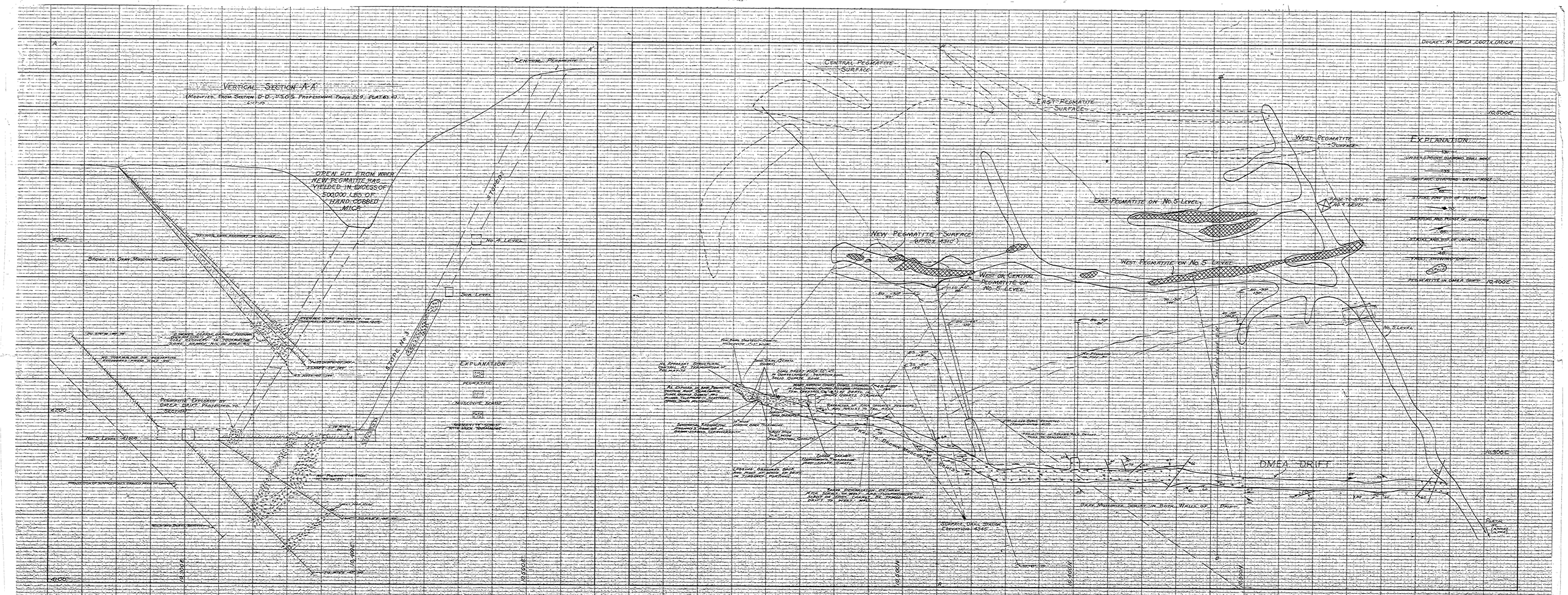
UNDERGROUND PLAN AND SECTIONS OF THE MUSCOVITE MINE, LATAH COUNTY, IDAHO.

Geology by W.C. Stoll, 1944

50 0 300 Feet

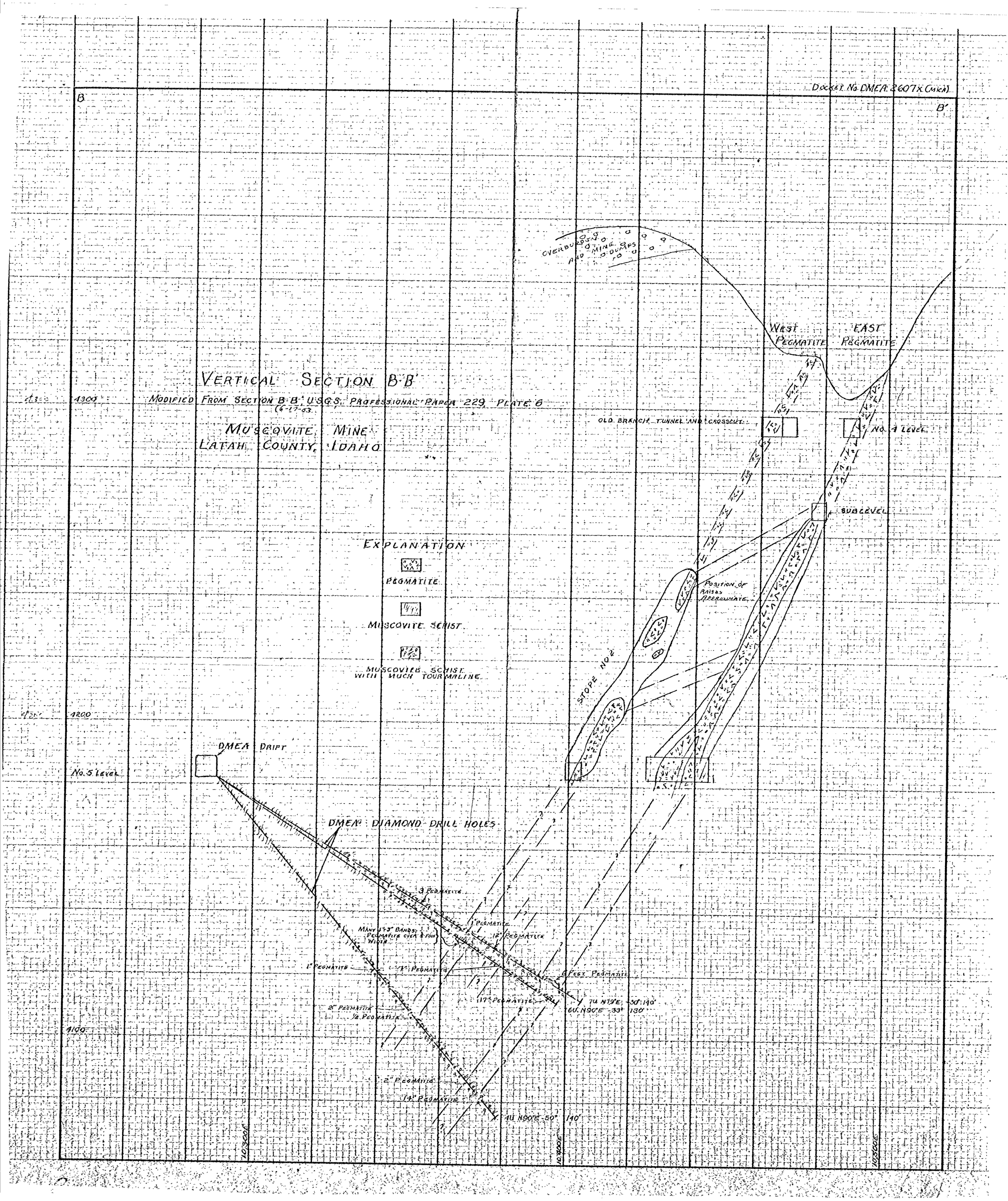
Datum is approximate mean sea level

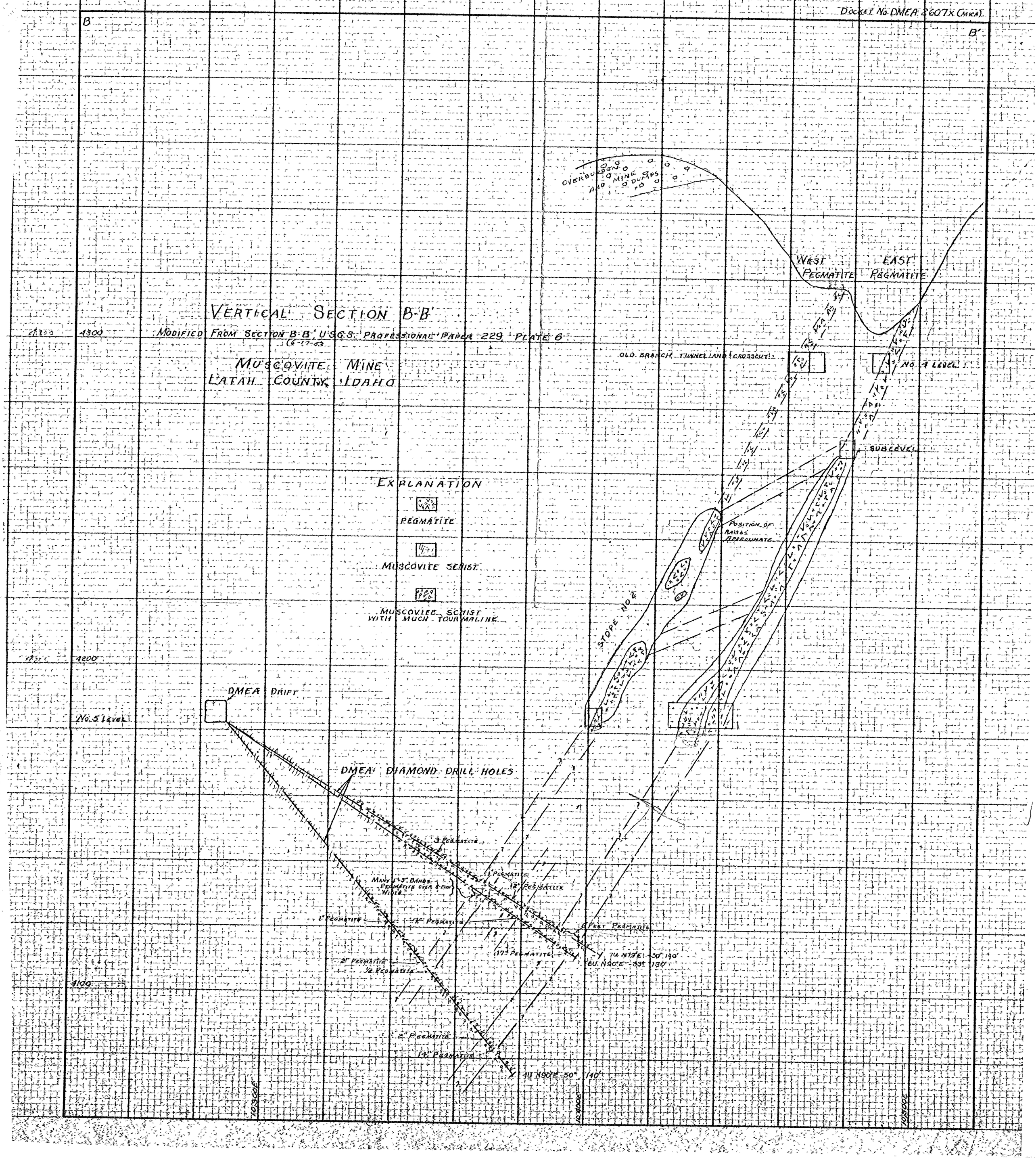
881605 O - 50 (In pocket) No. 6



PLAN MAP SHOWING PORTION OF No. 5 LEVEL GEOLOGY OF DMEA DRIFT, LOCATION OF DMEA DIAMOND DRILL HOLES, AND EAST, WEST, CENTRAL AND NEW PEGMATITES.

IDAHO BERYLLIUM AND MICA CORPORATION MUSCOVITE MINE, LATAH COUNTY, IDAHO.


B
B'
Overburden and mine dumps
West Pegmatite
East Pegmatite
Vertical Section B-B'
Modified from Section B-B' U.S.G.S. Professional Paper 229 Plate 6
(6-17-63)
Muscovite Mine
Latah County, Idaho
Old branch tunnel and crosscut
No. 4 Level
Sub Level
Explanation
Pegmatite
Muscovite schist
Muscovite schist with much tourmaline
Position of raises approximate
Stope No. 2
4300
4200
4100
DMEA Drift
No. 5 Level
DMEA Diamond drill holes
3" Pegmatite
1" Pegmatite
Many 1"-3" bands; Pegmatite over 3 feet wide
12" Pegmatite
1" Pegmatite
1" Pegmatite
6 Feet Pegmatite
17" Pegmatite
7U N19°E 30° 140'
6U N90°E 33° 130'
2" Pegmatite
1/2 Pegmatite
2" Pegmatite
13" Pegmatite
4U N90°E 50° 140'
10,300E
10,400E
10,500E


B
B'
OVERBURDEN AND MINE DUMPS
WEST PEGMATITE
EAST PEGMATITE
VERTICAL SECTION B-B'
MODIFIED FROM SECTION B-B', U.S.G.S. PROFESSIONAL PAPER 229 PLATE 6
(6-17-63)
MUSCOVITE MINE
LATAH COUNTY, IDAHO
4300
OLD BRANCH TUNNEL AND CROSSCUT
NO. 4 LEVEL
SUBLEVEL
EXPLANATION
PEGMATITE
MUSCOVITE SCHIST
MUSCOVITE SCHIST WITH MUCH TOURMALINE
POSITION OF RAISES APPROXIMATE
STOPE No 2
4200
DMEA DRIFT
No. 5 level
DMEA DIAMOND DRILL HOLES
3' PEGMATITE
MANY 1"-3" BANDS PEGMATITE OVER 5 FOOT WIDTH
1" PEGMATITE
12" PEGMATITE
1" PEGMATITE
1" PEGMATITE
6 FEET PEGMATITE
17" PEGMATITE
7U N19°E 30° 190'
6U N90°E 33° 130'
2" PEGMATITE
1/2 PEGMATITE
4100
2" PEGMATITE
14" PEGMATITE
4U N90°E 50° 140'
10,300 OE
10,400 OE
10,500 OE